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Advertising Age

50 YEARS 1930-1980

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Some Teleprompter systems on block

By MAURINE CHRISTOPHER

NEW YORK—To pave the way for the expected government okay of the $646,000,000 acquisition by Westinghouse Electric Corp. of Teleprompter Corp., Westinghouse has promised to sell off at least 12 Teleprompter cable systems within the coverage area of four of Group W's conventional tv stations.

Legal counsel for the Westinghouse Broadcasting (Group W) subsidiary, into which Teleprompter is to be merged, has informed the Federal Communications Commission that this step will be taken to comply with FCC's rather complicated cross-ownership policy. This rule is designed to prevent a company from owning over-the-air tv and cable in the same market. Group W's 12 radio stations present no such cross-ownership worries.

Industry observers on Wall Street and Madison Ave. expect great things from this corporate union between America's largest non-network station group and the nation's No. 1 cable systems operator. Teleprompter, an mso (multiple systems operator), now boasts 1,300,000 homes on 113 systems.

If the FCC, Securities & Exchange Commission, Federal Trade Commission and Teleprompter stockholders (at their next meeting in December or January) approve this $625-per-subscriber purchase, systems that would go up for sale include, in KPIX' San Francisco area, Oakland, Santa Cruz, Santa Clara, Newark, Milpitas and Los Gatos, and, in WBZ-TV's Boston territory, the Worcester system.

Also set to go on the block are systems in Ocean City, Ventnor and Vineland, N.J., all because of conflicts with KYW-TV, Philadelphia, and systems in Johnstown, Pa., and Morgantown, W. Va., due to overlap with KDKA-TV, Pittsburgh. Westinghouse's other owned tv station cities are Baltimore and Charlotte.

Teleprompter is among those competing for central city franchises in Philadelphia and had been planning to try for the Boston market. Under the Westinghouse banner, it doubtless would move to the sideline in both cases. Teleprompter was a loser in the bidding for central city Pittsburgh wired tv.

Westinghouse, which owns eight small catv systems in Georgia, won out over a wide field of would-be Teleprompter buyers with an offer of $38 per share for 17,000,000 shares of Teleprompter stock. When the imminence of the deal halted trading, the stock was up slightly to nearly $29 on the New York Stock Exchange.

Execs at both companies pointed out that their programming interests dovetail nicely. Teleprompter brings to the family part ownership (50%) in the No. 2 pay cable network, Showtime, while Westinghouse owns an aggressive conventional tv syndication house. Group W's most successful syndie series are "PM Magazine" and the "John Davidson Show."

▪ While some Wall Street analysts theorized that the sale price was "low" by today's inflated cable standards, Drexel Burnham Lambert's John Reidy disagreed. He noted that many of Teleprompter's 113 systems (about 40% by its count) are 12-channel operations that must be upgraded—at an estimated $175 per customer. That, he said, would bring the per-subscriber cost of this acquisition up to $800.

There also are Teleprompter debts to be assumed and costs running $100,000,000 or more for each new major city franchise "if they chose to play the big-city game," Mr. Reidy pointed out.

Dan Ritchie, head of Westinghouse Broadcasting, said Teleprompter chairman Jack Kent Cooke and other officers and employes would be retained. #

In-home banking getting major test

By JANET NEIMAN and JOSH LEVINE

CHICAGO—A new generation of convenience banking will begin in December—when United American Service Corp., Knoxville, offers the first full-blown bank-at-home program.

In the first application of bank-at-home on a full scale, UASC, in a joint venture with Radio Shack division of Tandy Corp. and CompuServe, a subsidiary of H&R Block, is offering the new technology of the system, known as Express Information, to customers of all 40 banks under the UASC umbrella. Included are banks in Tennessee, Kentucky and Virginia.

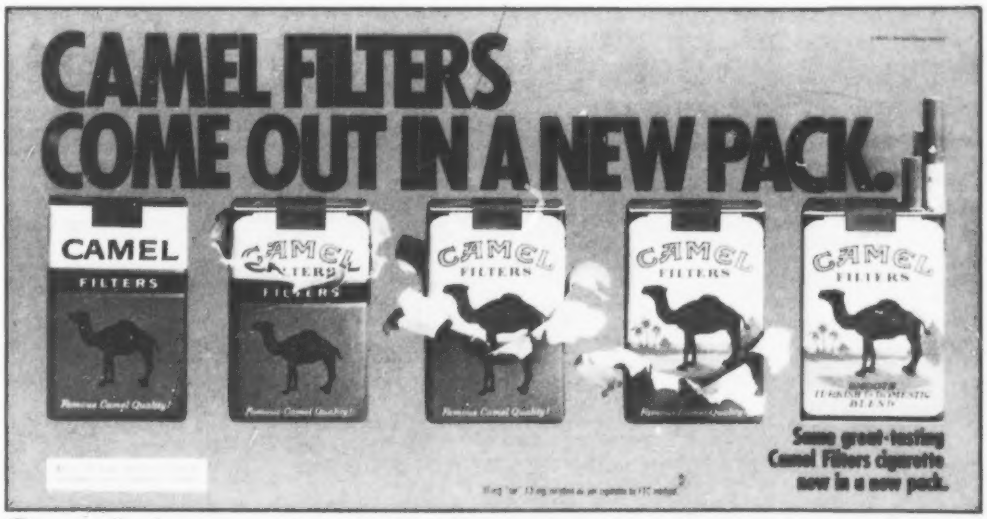
Customers presently using the corporation's Express Banking services (ATM, tel-a-pay, visual display terminals) can take the home computer service. They pay only for the computer link equipment, which is rented from the bank for between $15 and $25 per month.

United American Bank in Knoxville will be the first UASC bank to use the service, beginning around Nov. 1.

After exhibiting at the American Bankers Assn. convention here last week, UASC president Tom Sudman said five of the top 50 banks in the U.S. are pursuing sign-up for the service.

"We've had as many out-of-state calls as we have had in-state from people wanting to apply for accounts," Mr. Sudman added.

(Continued on Page 116)


CAMEL FILTERS COME OUT IN A NEW PACK.
CAMEL
FILTERS
Famous Camel Quality!
Same great-tasting Camel Filters cigarette now in a new pack.

Camel does striptease

R. J. Reynolds Tobacco uses a "striptease" technique in test market ads and p.o.p. materials showing the package change for Camel Filters. The new package is expected to be introduced nationally in early 1981.

last minute news

Test mailing of 'WSJ Magazine' eyed in '81

NEW YORK—Dow Jones & Co. is shooting for an early 1981 mailing of its prototype consumer magazine, the *Wall Street Journal Magazine*, to advertisers and test subscription audiences. Decision on actual publication will follow. The monthly will concentrate on three themes: Personal finance, time and issues. *WSJ* executive editor Fred Taylor is in charge of the project; former *Geo* publisher and DJ consultant Charles (Jim) Randolph is prototype publisher, and former *Harper's* managing editor David Stanford is editor

Pearl debuts J.R. Ewing's Private Stock

SAN ANTONIO—J.R. Ewing's Private Stock, a superpremium beer made by Pearl Brewing Co., will reach shelves around the world this week as promotional efforts for the beer, licensed by Lorimar Productions (producer of "Dallas"), get under way. No ad plans have been set. Introduction will be handled with pr and promotional press parties. GSD&M, Austin, handles.

(Continued on Page 8)

AA MAR81
DC20014CONGLIHAGNR 02115920013
R HAGERMAN SECY TC SR VP
CONGRESSIONAL INFO SERVICE
7101 WISCONSIN AVE
WASHINGTON DC 20014

Reynolds execs spell out plans to sack competition

By SAM HARPER and JOHN J. O'CONNOR

WINSTON-SALEM, N.C.—It had been several days since President Carter had stumped for votes here, but the guest-hungry Holiday Inn still hadn't gotten around to taking down a "Welcome, Mr. President" message.

In contrast to the hostelry's lackadaisical attitude, the mood at the R. J. Reynolds Tobacco building about a half-mile away is upbeat and aggressive.

In scarcely more than one year, the nation's No. 1 cigaret marketer has shed its "sleeping giant" image by mounting a massive attack on its industry brethren.

▪ To a large degree, two men are responsible for ridding the company of a mood that prior to their arrival "was something you might expect of a Frank Campbell funeral home," as an RJR supplier described it.

The architects of RJR's get-tough-with-the competition strategy are Edward A. Horrigan Jr., chairman and president, and Gerald H. Long, exec vp. The pair took over the reins of the R. J. Reynolds Industries' subsidiary in the fall of 1979.

E. Horrigan Jr.

G. Long

By now, the five other tobacco companies—including archrival Philip Morris U.S.A.—should be well aware that RJR is on the offensive and isn't taking prisoners. But just in case that message hasn't sunken in, Messrs. Horrigan and Long last week invited some two dozen reporters here for a show-and-tell session concerning the company's sales resurgence.

Nor did they hesitate to discuss their competition. In sizing up RJR's most formidable and fast-gaining foe, Philip Morris, the stocky, greying Mr. Long said with an unmistakably New York accent, "They've had a pretty good show for ten years, but not anymore." He stressed that PM will not overtake RJR in 1980, as some analysts had predicted.

As for Lorillard, whose Triumph comparative ad campaign is being contested in court by RJR, the hard-nosed exec observed, "The

(Continued on Page 114)

Cookies get fresh marketing

By NANCY GIGES

NEW YORK—Stepped up new product activity in the cookie segment of the $2.8 billion packaged biscuit market may indicate a return to growth for the sweets, which have declined in unit sales for the past 18 months.

Nabisco has just put three new cookies in test markets and Pepperidge Farm is rolling into two new areas with two new varieties. The new Nabisco items are Nana Banana creme sandwich cookies, I Screams n' You Screams creme sandwich cookies and Oatmeal & Fruit Soft Snacks.

The sandwich cookies are getting newspaper support in the areas where they're marketed, Nana Banana in the Southwest and I Screams in the Northeast. The oatmeal snack item, packaged in pairs in six foil packs to a box, also is getting newspaper support in the Northeast. William Esty Co. handles.

The latter product is a direct competitor to the Grandma's line that Frito-Lay bought earlier this year and is preparing to expand nationally next spring (AA, Aug. 18).

Pepperidge Farm is introducing its new specialty cookies, Geneva and Cappucino, into the Southwest at the end of this month and into New England next month. Geneva is described as an oval biscuit layered with chocolate and topped with bits of pecans; Cappucino is a rich coffee-flavored cookie with chocolate filling. Ogilvy & Mather handles the Pepperidge Farm line.

Prior to 1979, the cookie segment of the total market had been growing slightly, while the cracker segment was down. But that trend reversed itself and cookies have been down about 2% for the past 18 months.

According to the Biscuit &

(Continued on Page 116)

SOUP STARTER
Swift
COOK SMARTER.

Swift asks: When do you use Soup Starter?

"Cook smarter with Soup Starter" is the theme of a new repositioning effort for the Swift & Co. product. Tv commercials, along with radio, magazine, newspapers and couponing support, will tout it as a dinnertime entree for busy homemakers. The campaign, to break in November, is the first creative work for Swift by its new agency, Foote, Cone & Belding, Chicago. Total coupon drop put at 130,000,000.

Global, one-on-one ads seen

By JENNIFER PENDLETON

MONTEREY, CAL.—"World" commercials may be coming in tv advertising as satellites open up new markets, while elsewhere the new technologies and computers could combine to produce ad messages that would address consumers individually—in the tone and manner they prefer.

What else is likely to happen? Newspapers will become "Zip-coded" and tailored to the point where subscribers would receive only those parts they want.

These were a few of the projections and predictions set forth at the American Assn. of Advertising Agencies annual western conference here.

Commercials geared to audiences around the world will have language problems to deal with, but that could be resolved by a return to strong visual, something advertising needs anyway, the conference was told by Foote, Cone & Belding president John E. O'Toole.

The newspaper of coming years was seen as "the microcosm of our new informational society" by John Naisbitt, senior vp, Yankelovich, Skelly & White. Now often "too heavy to lift," they'll "devolve into Zip-code newspapers, tailored to income and life style, sectionalized in some respects, decentralized in others."

Mr. Naisbitt said this could also mean a change in the "sovereignty" of editorial, with readers becoming more involved in deciding what is supplied.

The computer's place is likely that of "confidant and advisor" to its masters in the home, said Andrew Lipinski, senior research fellow, the Institute of the Future, Menlo Park, Cal. "Man and woman will be enlarged to man and woman and computer, the computer becoming an accepted part of the home environment," said Mr. Lipinski.

"Without too much work," he said, "it is possible to make computers nicer than most people"—

(Continued on Page 114)

Pols shift efforts to key states

By LEAH ROZEN

NEW YORK—With only two weeks left in the presidential campaign, Democratic incumbent Jimmy Carter and Republican challenger Ronald Reagan are concentrating their advertising efforts on key states.

Although neither candidate's advertising strategists are talking much, it is clear that the final weeks will see much heavier tv and radio spot buys in such states as Pennsylvania, New York, Florida, Ohio, Illinois and California. These are the states with the most electoral votes and are crucial to the election of either man.

In an effort to win these voters, both Mr. Carter and Mr. Reagan are running endorsement ads by local and national political figures. Mr. Carter is running spots with Sen. Bill Bradley in New Jersey; Gov. Ella Grasso and Sen. Abraham Ribicoff in Connecticut; Los Angeles Mayor Tom Bradley, San Francisco Mayor Diane Feinstein and Gov. Jerry Brown in California; Gov. Robert Grahm in Florida; Gov. Richard Riley in South Carolina, and Gov. William Winter in Mississippi.

Additionally, he is running spots with Massachusetts Sen. Edward Kennedy in selected markets (AA, Oct. 13) and spots featuring local black officials in major cities. Rafshoon Communications handles.

- Former California Gov. Ronald Reagan is wheeling out his big gun endorsers as well. In addition to spots featuring running mate George Bush and former President Gerald Ford, Mr. Reagan's tv backers include Gov. Richard Thornburgh in Pennsylvania, Gov. Jim Thompson in Illinois and Gov. Lee Dreyfus in Wisconsin.

In Ohio, a key industrial state, Mr. Reagan has endorsement spots featuring Gov. James Rhodes. In the same state, Mr. Carter is running an ad featuring footage from his campaign appearance there, along with clips of Ohio Sen. John Glenn.

A spokesman for Campaign '80, the agency formed especially to handle the former movie star's presidential campaign, said last week that the Republican candidate has not shot any commercials in over a week and that, as of late last week, no new spots were

(Continued on Page 113)

highlights

Monday, October 20, 1980

Volkswagen of America has signed actress Elke Sommer and race car driver Johnny Rutherford as spokespersons. *See Page 4*.

Chewing through a successful effort to revive its gum business, Wm. Wrigley Jr. Co. is launching another strategy for the next 10 years. *See Page 12*.

Seiko Time Corp. will launch three new lines of watches to be supported by $9,500,000. *See Page 24*.

Hanes Group's L'erin division has encountered problems at retail with L'erin cosmetics. *See Page 26*.

The National Advertising Division reviewed eight challenges to national advertising last month. Five were substantiated. *See Page 30*.

The Australian government used three airplanes as a bargaining tool and came away from Europe with a good trade deal. *See Page 34*.

"The business world's balance sheet is socially in the red," said Jacques Bouchard, president of BCP Advertising, Montreal. *See Page 36*.

The toy industry generally seems to be holding its own in this recession year, but Ideal Toy Corp. is one major having some problems. *See Page 38*.

Anheuser-Busch is brewing a heavy promotional push for 1981. *See Page 42*.

Modern Maturity is grossing nearly $1,000,000 an issue in ad revenues—and the magazine's editor, Hubert Pryor, predicts this is "just the tip of the iceberg." *See Page 46*.

Husbands are critical of the changing role of women because it means that men must do more unappealing household chores, according to a Doyle Dane Bernbach survey. *See Page 60*.

Joe Grant explains how Gulf Oil Corp. marketed the *National Geographic* specials on PBS in 1980 to highlight its role as underwriter of the specials. *See Page 63*.

Hooper White suggests five ways to get the most out of production budgets for commercials. *See Page 66*.

George White, former president of Vos & White, has pleaded guilty to defrauding former client LaSalle Extension University. *See Page 72*.

American Airlines and TWA are both using the Pittsburgh Steelers in certain tv commercials. *See Page 74*.

Special ADVERTISING AGE July sweeps Arbitron analysis ranks tv stations in markets 51 through 100 with favorite advertising target, women 18 to 49. *See Page 82*.

Jif and Skippy continue to vie for top shares in the peanut butter market. *See Page 104*.

Procter & Gamble Co. is not about to give up on the sanitary protection market, despite a $75,000,000 write-off for its withdrawal of Rely tampons. *See Page 117*.

Smith-Corona has brought out an electronic typewriter aimed at business customers and SCM shareholders alike. *See Page 118*.

J&J wins a round in a court battle with Carter-Wallace. *See Page 118*.

Section 2

How do the leaders of market/-advertising research view the future of their craft? What problems lie ahead? What can be learned from the past? These and other questions are explored in this week's Section 2/Market/-Advertising Research, starting opposite Page 62.

REGULAR FEATURES

ACCOUNT CHANGES 94
ADBEAT 109
ADVERTISER PEOPLE 102
ADVERTISING AGE MAGAZINE 63
ADVERTISING MARKETPLACE 105
AGENCY PEOPLE 109
BRADY 88
CON-SID-ERATIONS 16
CORRECTIONS & CLARIFICATIONS 6
EARNINGS REPORT 117
EDITORIAL VIEWPOINT 16
50 YEARS AGO 58
FOR THE RECORD 113
OBITUARIES 10,30,114
PHOTO REVIEW 20
PRESSTIME 8
REGIONAL NEWS 44
RESEARCH PEOPLE 62
VIDEOTECH 86
VOICE OF THE ADVERTISER 96
WASHINGTON BEAT 78

FIGURES TO FILE

ADVERTISING PAGES IN CONSUMER PUBLICATIONS-OCTOBER 99
YOUNG MEN AND WOMEN VIEWERS JULY ARBITRON MARKETS 51-100 82

Vol. 51, No. 45—ADVERTISING AGE (ISSN 0001-8899) is published weekly, except semiweekly the third week in March, the second week in September at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing addresses.

Panax sells 4 papers to Liverpool

CHICAGO—A British publishing company last week increased its U.S. holdings with the purchase of four Illinois newspapers. The Liverpool Daily Post and Echo Ltd., which publishes two daily newspapers in that city, also agreed to buy two printing companies in Illinois and Indiana.

The Illinois papers, all formerly owned by Detroit-based Panax Publishing Co., are the *Daily Calumet*, an 8,680-circulation paper serving Chicago's south suburbs; the *Sun-Journal*, a 9,800-circulation tri-weekly serving communities along the Illinois-Indiana border near Chicago; *Calumet Day*, a 13,100 circulation bi-weekly serving the Indiana towns of East Chicago, North Hammond and Whiting, and the *Rantoul Press*, a 10,300 circulation weekly serving that central Illinois town.

The printing companies, Lithotype-Midwest of Lansing, Ind., and Rantoul Printing in Rantoul, print all of the newspapers that changed hands in the deal.

For Panax, the sale is the latest

(Continued on Page 116)

Wrigley looks beyond gum

Crain News Service

CHICAGO—Wm. Wrigley Jr. Co. is launching a two-pronged strategy for the next decade.

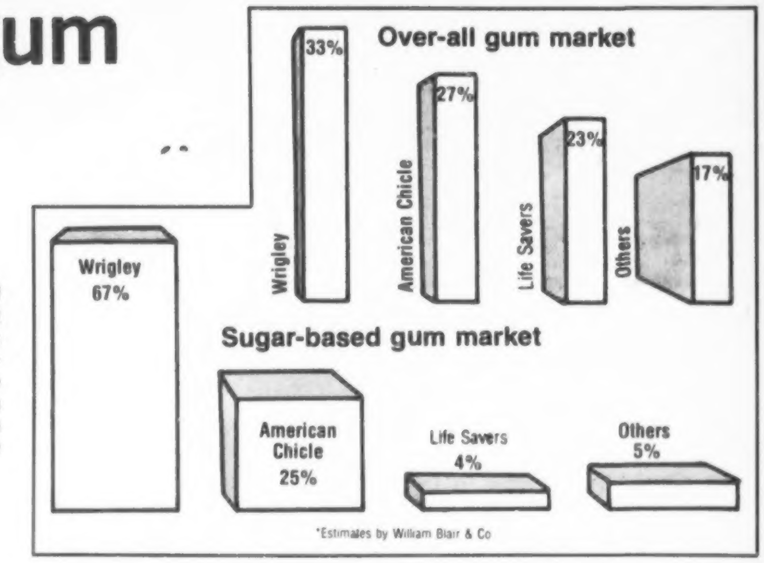
With its five-year effort to revive its gum business having successfully reestablished the company as No. 1 in the industry, Wrigley has created a new division to manufacture a cheaper metalized paper that could produce $200,000,000 in annual sales in the next decade.

At the same time, the company's corporate development department, created last year (AA, April 2, '79), is gearing up to take Wrigley beyond its chewing gum base in consumer products.

The changes at Wrigley, which earned $35,000,000 on sales of $504,000,000 last year, could be far-reaching. The 53-year-old company saw its market share shrink in the mid-1970s as Warner-Lambert Co.'s American Chicle and Squibb Corp.'s Life Savers division brought out new gums appealing to children and teen agers. But in 1975, Wrigley revamped its sales force and began a new product effort that brought five new gums to market and bolstered its share to 33% of the market, compared with 30% only last year.

■ The product added to the existing franchise of Spearmint; Juicy Fruit and Doublement (all introduced prior to 1915) were Freedent, Big Red, Orbit sugar-free gum, Orbit bubble gum and Hubba Bubba chunk bubble gum.

But the main gun in the arsenal (aside from the highly successful Hubba Bubba) aimed against the competition was new advertising—campaigns for Doublemint, Spearmint and Big Red, all supported with increased spending. This effort significantly shored up those three brands.



*Estimates by William Blair & Co

Wrigley's leadership of the over-all gum market (with 33%) is based on its 67% share of sugar-based gum sales. Life Savers holds the sales lead in bubble gum (29%) and in sugar-free gum (43%).

That battle is not over, however. Life Savers is in the process of introducing its new Replay brand, a chunk gum in spearmint, peppermint and cinnamon flavors, and directly positioned against those three Wrigley brands (plus American Chicle's Dentyne), touting longer-lasting flavor. The move was labeled as "a bold frontal assault" by Wrigley's vp-marketing Ronald Cox, and the company is preparing to meet that challenge.

■ But with the new development of the metalized paper, "We have a brand new field opening up," said Bozdar Bulovic, exec vp at Wrigley. Adds a source close to the new venture: "Wrigley could become a completely different company."

As yet Wrigley's Wrico Packaging division has no direct competition for the reflective paper that gives the appearance of aluminum foil but resists creasing. Wrigley substituted the new foil for its own gum wrappers six months ago, but its greatest potential lies in converting the labels now used on beer bottles and cigaret packages and a host of other applications.

The Wrico paper is much shinier than conventional products, but it uses less than 1/200th the amount of aluminum contained in foil wrappers. The manufacturing process, licensed two years ago from a small Spanish printing company in Barcelona, represents a technological breakthrough in the transfer method of metalization, creating significant cost savings and better quality.

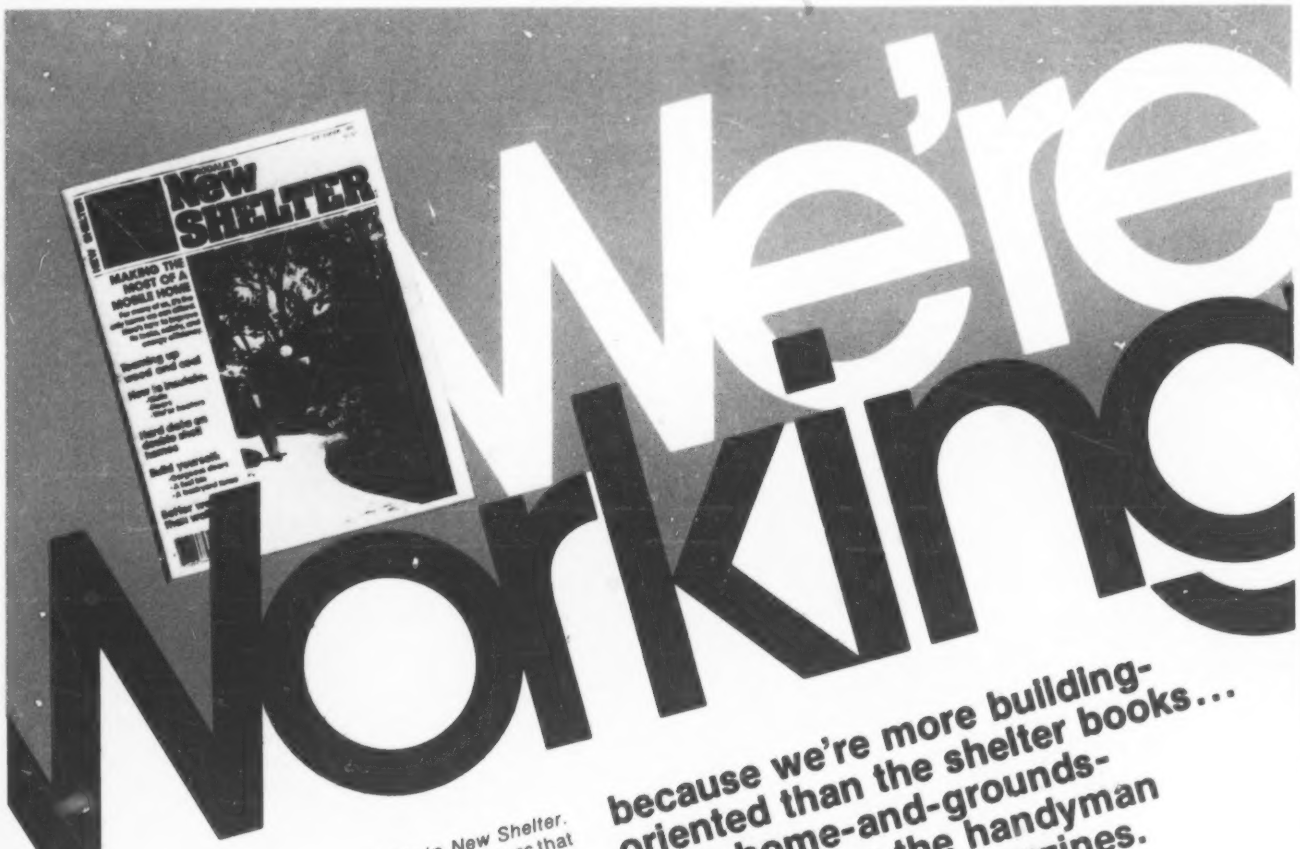
■ Wrigley's expansion into new impulse-purchase products, such as candy or mints, will use the same distribution and merchandising channels that Wrigley's gum uses. Wrigley will either purchase these new products by acquiring other companies, or develop the products internally.

Meanwhile, Wrigley must decide what to do with Overtime, its latest product. In test market for seven months, the gum with a liquid center has failed to meet company goals.

"If Overtime doesn't achieve the level of consumer acceptance I think it should, we will not roll it out nationally," says Mr. Cox. #

Kane joins Ansel

Ansel Productions, New York, has added Art Kane, print ad photographer and tv commercials director. Mr. Kane, whose best known work includes tv spots for Yves St. Laurent jeans and Miller Brewing Co.'s "Miller time," will be available "for select commercial assignments," said Jerry Ansel.



because we're more building-oriented than the shelter books... more home-and-grounds-oriented than the handyman and mechanics magazines.

There's no room for functionless frills in *New Shelter*. We provide solid construction and design techniques that make the *real* home improvements. We show our readers how to cut down on energy waste and save money... how to grow food among the flowers... how to make their homes more productive. *New Shelter* is focused specifically on the needs of a new breed of homeowner. They're self-reliant, aware, and they're making preparations to take on the big job of transforming their homes into pleasing and practical dwellings.

And it's working.

In just six months, *New Shelter's* circulation base has risen to 350,000. That's an increase of 55%. A Chilton study of our early subscribers shows an affluent audience with hands-on experience in home improvement and repair work. For example, 90% completed a home improvement project in the past twelve months and 95% own power tools.

Your advertising can reach the kind of reader who is primed and ready to use your building, remodeling and decorating materials, tools, plans and other home-and-grounds-related goods and services. Reserve your space today.

RODALE'S New SHELTER TM REG

We help you build for the future.

33 East Minor Street
Emmaus, Pennsylvania 18049 (215) 967-5171

Attn: Sanford T. Beldon
33 East Minor Street
Emmaus, PA 18049

RODALE'S New SHELTER

☐ Send me a complete media kit.
☐ Reserve my advance copy of the Fall, 1980 *New Shelter* subscriber study (conducted by Don Bowdren Associates).
☐ Send me a calendar of special topics for 1981 issues.
☐ Have your representative contact me.

Name ______
Company ______
Address ______
City ______ State ______ Zip ______
Phone ______

Advertising Age
50 YEARS 1930-1980
$3 a Copy; $40 a Year
The International Newspaper of Marketing
September 11, 1980

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Top 100 advertisers spend $11.7 billion

Economic woes place drag on retailer, auto spending

BY MARION ELMQUIST

The 100 largest national advertisers boosted their advertising spending to $11.7 billion in 1979, a 13.6% increase over the $10.3 billion invested in advertising and promotion by 1978's 100 leaders.

Increasingly tough economic times hit retailers and domestic car makers, causing them to report grimmer sales and earnings results and to trim ad expenditures or reduce the rate of increase.

Three of the four domestic auto makers dropped in position in the top 100 rankings—Chrysler plummeted from No. 10 to No. 40—while one, General Motors, held its No. 4 spot. Each of the four major retailers in the leaders list dropped in ranking.

Procter & Gamble continued to hold onto its No. 1 position by breaking the $600,000,000 mark with measured and unmeasured ad and promotion spending of $614,000,000.

General Foods moved into second place with an investment of $393,000,000, pushing retailer Sears, Roebuck & Co. into third place. Sears cut its ad spending 9% to $379,312,500. (If local advertising were included in the tabulation, Sears would be the leading advertiser with total spending of $709,312,000; P&G is closing that gap, however, with its national spending alone.)

- Although retailers continue to hold a dominant position among the top 100 spenders, economic woes affected how they ranked. K mart Corp. dropped from fifth to sixth place even though it increased its ad spending 15% to $287,095,100; J.C. Penney Co. fell from its No. 27 spot to No. 38 by reducing its investment 2%, and Mobil Oil Corp., whose Montgomery Ward & Co. eats up a large portion of its ad budget, dropped to No. 20 from No. 15 with spending pegged at $165,840,600, a 1.7% increase over 1978 expenditures.

- While U.S. car makers faced difficulties, the foreign auto makers fared better. Only two, Volkswagen of America and Nissan Motor Corp. which reported only modestly increased ad expenditures, dropped in rank, while Toyota and American Honda moved up, and a fifth foreign car maker, Mazda, rejoined the 100 for the first time since 1974.

A weaker economy was also reflected in the leaders' sales and earnings results. Ninety-four reported increased sales for 1979, compared with 98 the year before, while higher earnings were posted by only 73 companies, in contrast to 86 companies

(Continued on Page 146)

K
K
America's Storyteller
Shouldn't you trust your story to Kodak film?

Eastman Kodak broke a major new campaign with its "America's Storyteller," encouraging people to snap shots every day.

100 leading national advertisers (TOTAL AD DOLLARS IN MILLIONS: 1979)

1	Procter & Gamble Co.	$614.9
2	General Foods Corp.	393.0
3	Sears, Roebuck & Co.	379.3
4	General Motors Corp.	323.4
5	Philip Morris Inc.	291.2
6	K mart Corp.	287.1
7	R. J. Reynolds Industries	258.1
8	Warner-Lambert Co.	220.2
9	American Telephone & Telegraph Co.	219.8
10	Ford Motor Co.	215.0
11	PepsiCo Inc.	212.0
12	Bristol-Myers Co.	210.6
13	American Home Products	206.0
14	McDonald's Corp.	202.8
15	Gulf + Western Industries	191.5
16	General Mills	190.7
17	Esmark Inc.	170.5
18	Coca-Cola Co.	169.3
19	Seagram Co.	168.0
20	Mobil Corp.	165.8
21	Norton Simon Inc.	163.2
22	Anheuser-Busch	160.5
23	Unilever U.S. Inc.	160.0
24	RCA Corp.	158.6
25	Johnson & Johnson	157.7
26	Heublein Inc.	155.0
27	Beatrice Foods Co.	150.0
28	CBS Inc.	146.1
28	U.S. Government	146.1
30	Loews Corp.	144.5
31	General Electric Co.	139.4
32	International Telephone & Telegraph Corp.	132.4
33	Pillsbury Co.	$131.5
34	American Cyanamid Co.	127.0
35	Gillette Co.	126.9
36	Richardson-Merrell	123.8
37	Colgate-Palmolive Co.	122.5
38	J. C. Penney Co.	122.0
39	Kraft Inc.	119.7
40	Chrysler Corp.	118.0
41	B.A.T. Industries Ltd.	116.4
42	Ralston Purina Co.	108.0
43	SmithKline Corp.	107.7
44	Chesebrough-Pond's	107.3
45	Consolidated Foods Corp.	105.0
46	Time Inc.	102.4
47	Revlon Inc.	101.0
48	Transamerica Corp.	95.0
49	Sterling Drug Co.	92.0
50	Kellogg Co.	91.6
51	Nabisco Inc.	91.3
52	DuPont	89.4
53	Eastman Kodak Co.	87.8
54	Quaker Oats Co.	86.6
55	Nestle Enterprises	86.0
56	American Brands	83.5
57	Toyota Motor Sales U.S.A.	80.3
58	Schering-Plough Corp.	78.0
59	Miles Laboratories	77.8
60	Clorox Co.	72.6
61	CPC International Inc.	72.0
62	Jos. Schlitz Brewing Co.	71.6
63	H. J. Heinz Co.	71.5
64	Mars Inc.	69.5
65	Nissan Motor Corp.	66.1
66	MCA Inc.	66.0
66	Mattel Inc.	$66.0
68	Trans World Corp.	62.0
69	Campbell Soup Co.	60.5
70	Squibb Corp.	60.0
71	Liggett Group	59.0
72	Warner Communications	57.6
73	American Express Co.	55.4
74	Union Carbide Corp.	55.1
75	Volkswagen of America	55.0
76	Greyhound Corp.	53.8
77	UAL Inc.	52.5
78	Polaroid Corp.	50.5
79	Brown-Forman Distillers Corp.	50.0
80	MortonNorwich	49.2
81	Wm. Wrigley Jr. Co.	48.5
82	Beecham Group Ltd.	46.7
83	American Motors Corp.	44.6
84	North American Philips Corp.	44.2
85	American Honda Motor Co.	44.0
86	Pfizer Inc.	43.7
87	ABC Inc.	42.0
88	Eastern Air Lines	40.4
89	Noxell Corp.	40.2
90	S. C. Johnson & Son	40.2
91	Borden Inc.	39.0
92	Levi Strauss & Co.	38.6
93	A. H. Robins Co.	37.0
94	Scott Paper Co.	36.8
95	Standard Brands	36.4
96	American Airlines	35.0
97	Delta Air Lines	33.5
98	Milton Bradley Co.	31.3
99	International Business Machines	31.1
100	Mazda Motors of America	28.4

25TH ANNUAL STUDY

Advertising and marketing reports on 100 leading national advertisers

Presented here is ADVERTISING AGE'S unique annual collection of facts about the marketing operations of the nation's advertising giants—what they spend on advertising, how they're doing in sales and profits, how their leading product lines and brands rank nationally, what share of the market they hold—and many other vital details. The profiles include listings of each company's marketing executives, the agency lineup and a rundown of account personnel serving the various product lines. Much of the material has never been published before, including estimates of total advertising and promotion expenditures for the 100 advertisers covered, and sales figures for privately owned companies.

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ABC Inc.

	1979	1978
Sales	$2,053,570,000	$1,783,985,000
Earnings*	159,310,000	135,575,000
Advertising	42,049,500	35,854,400

*AA estimate

ABC Inc., New York, the 87th leading national advertiser, boosted its advertising budget 17%, or $6,195,100, to an estimated $42,049,500 in 1979. In its 10-K report, ABC said it spent $58,008,000 on advertising, but this figure includes expenditures for a range of items not considered advertising or promotion by AA.

AA's ad estimate includes $33,329,400 in measured media and another $8,720,100 in unmeasured media.

As befits ABC's bread and butter unit, the ABC-TV Network was the top corporate spender, spending $12,511,000 in measured media; it also accounted for the lion's share of spending in unmeasured media. Of the tv network's total outlays, $11,801,800 went into magazines, with *TV Guide* the big winner. In addition, ABC spent $3,330,800 to promote its various movie of the week entries.

- ABC Radio, which includes the four ABC Radio Networks and ABC-owned am and fm radio stations, spent over $5,000,000 in measured media. Spending in measured media for ABC's two Florida resorts, Silver Springs and Weeki-Wachee, total $300,000. Other enterprises with ad outlays over $100,000 include: Family Record and Tape Club, the Word Book Club and the Christian Quality Paperback Book Club.

In its 27th year of business, ABC posted a revenue gain of 15% and an earnings increase of 18%. The company's broadcasting operations accounted for approximately 87% of corporate revenues in 1979, about the same percentage as in 1978.

The ABC-TV Network was the primary source of these gains. With ad sales based on the 1978-79 season ratings, ABC-TV was the premium buy for advertisers in both prime time and highly profitable daytime programing. Adding to the strength of ABC's broadcasting base, the company's owned tv stations in markets such as New York, Chicago and Los Angeles set new records for revenues and earnings in 1979. ABC Radio had higher revenues in 1979 but profits were off slightly from the previous year's record levels.

- ABC Publishing was another corporate bright spot in 1979, posting higher revenues and earnings while continuing its aggressive acquisition and expansion policies. Early in 1979, ABC acquired the Chilton Co., a Philadelphia-based book publishing, magazine and printing company.

In January, 1980, National Price Service, a data base operation producing loose-leaf pricing information for electrical, plumbing and heating equipment, was spun off from Chilton to become a separate unit of ABC Publishing. Another major acquisition was McCall's Needlework and Crafts publications.

But perhaps most noteworthy was the publishing unit's decision to pull back from a proposed acquisition of Macmillan Inc., a takeover that would have cost $340,000,000 in stock and debentures. The deal's undoing was apparently the result of ABC-TV's prime time problems, which, for the first time in four years, cost ABC the No. 1 ranking in the annual network ratings race.

The ratings' fall forced the company to scrap some of its programs while embarking on an extensive and expensive new series development program. Company cash now is flowing full tilt into tv development and the purchase of blockbuster theatricals.

- The turn of fortunes at ABC-TV has been quite ironic. In recent years, ABC has been the clear-cut prime time kingpin while struggling to overtake CBS in daytime ratings, NBC in early morning and both networks in network news. Having mostly achieved those aims in the other dayparts, ABC lost the prime time race to CBS, albeit by the narrowest of margins—one tenth of a ratings point.

In its five years on air, "Good Morning America" has steadily won the early morning viewers' hearts, culminating in May, 1979, with its first ever weekly ratings victory over NBC's long-standing morning leader, "Today." That trend of weekly wins carried through the fall of 1979 and into the first quarter of 1980, when "GMA" scored its first ever quarterly ratings win.

What's notable about ABC's "GMA" triumph is that while it has siphoned viewers away from "Today," its rating strength has also been built on a corps of viewers that heretofore never watched much early morning tv fare.

Besides attracting new viewers, "GMA" has also succeeded in luring dozens of new advertisers to early morning schedules. Much of the credit for the program's appeal goes to former actor David Hartman. Mr. Hartman's co-host Sandy Hill left the show early in 1980 but continues to provide "GMA" with reports from the field. Though there have been several temporary replacements, ABC still hasn't settled on a permanent sidekick for Mr. Hartman.

In highly profitable daytime programing, ABC has led in the ratings since the first quarter of 1978. Though it generally ran neck and neck with CBS, ABC's daytime fare recently has started to open a bit of a ratings gap over the competition. In the all important 18-to-49-year-old women category, ABC has been a clear-cut leader since the second quarter of 1977.

One reason ABC can still brag that it's the "No. 1 network from sign on to sign off" is the emergence of ABC News in the ratings—both the early evening "World News Tonight" and the first regularly scheduled late night network news, "ABC News Nightline."

- For years the order in network news had been CBS, NBC, ABC. But in 1979, ABC, aided by some powerful local news lead-ins from new affiliates, began gaining ground on NBC. Though viewership levels for all three network newscasts have been higher, ABC has siphoned viewers principally from NBC with its razzle-dazzle production, multiple anchors and some hard and tough reporting by a staff that's no longer dismissed as the bumpkins of the business.

With Walter Cronkite leaving the CBS anchor chair and NBC looking more and more like a mini-CBS, some critics suspect that ABC will be to news leadership in the 1980s what CBS was in the 1970s.

Although unsuccessful in its pursuit of CBS anchorman Dan Rather, the ABC news department successfully continued to recruit behind-the-scenes talent. Among these was Carl Bernstein, former *Washington Post* reporter, who with colleague Bob Woodward uncovered many of the Watergate events that led to Richard Nixon's resignation from the presidency. Mr. Bernstein is now ABC's Washington bureau chief.

The choreographer of ABC News' turnaround is Roone Arledge, who added the news presidency to his sports domain in 1977. The results: Through the first half of 1980, ABC's early evening network news has been a solid second to CBS and consistently ahead of NBC.

Also in 1980, ABC added "Nightline," the first regularly scheduled late evening network newscast. Hosted by urbane Ted Koppel, "Nightline" has been running nearly neck and neck with late evening entertainment programing. And it has also opened up new sales opportunities for the ABC News sales team.

Thirty-second units on the early evening news cost in excess of $25,000, and spots on "Nightline" fetch prices in excess of $15,000.

Meanwhile, sports, Mr. Arledge's other bailiwick, contin-

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The International Newspaper of Marketing

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ued to provide imitative grist for its competitors. The growth of boxing on tv is a result of ABC's leadership. The network also gambled that soccer would catch the weekend sports viewers' fancy but ratings to this point suggest not.

The 11-year-old "Monday Night Football" franchise, however, rolls merrily along; cost of a :30 this September is expected to exceed $100,000. And NCAA college football, entering its 15th year on the network this fall, is another highly profitable weekend franchise.

▪ ABC Sports notched another triumph early in 1980 when it telecast the Winter Olympics from Lake Placid. Aided by the exploits of the underdog American hockey team, ABC swept to a victory in the all-important February national prime time ratings sweeps.

The truth about that victory, however, was that ABC had to rely on special Olympic fare to get its only sweeps win of the year; in the equally important November and May national ratings periods, CBS emerged the winner.

When the prime time season started last September, ABC looked invincible. Going into the season, ABC had more returning hits than its competitors; had scheduled its few new entries behind established hits, and had given its programs a chance for heavy viewer sampling by starting the season a week earlier than CBS and NBC. It also took a few key performers—"Mork & Mindy," for example—out of their original winning time periods and installed them elsewhere.

▪ Later, after the program shifts proved disastrous, ABC was accused of arrogant programing practices and of making key tactical mistakes. But the moves foreshadowed the closest race for prime time supremacy in the 32-year history of network tv. At its conclusion, CBS emerged the victor by one tenth of a ratings point.

The loss was a severe blow to ABC's prestige. Besides the errant program shifts, ABC suffered from waning popularity of such stellar performers as "Laverne & Shirley," "Happy Days" and "Mork & Mindy." Moreover, the network's theatrical movie package was subpar, as were its made-for-tv flicks. CBS, meanwhile, hit paydirt with blockbuster Sunday and Friday schedules while NBC succeeded in siphoning enough young viewers to impair ABC's season.

▪ That downward trend is expected to continue in the upcoming season too, but the network won't give up without a fight. ABC has ordered four hours of new programs and plans to hype the new season through a greatly expanded station co-op advertising campaign budgeted at $3,000,000.

Though ABC eased back somewhat from its dizzying pace of attaining new local station affiliates, the network recently scored a major coup by snaring WSB-TV, Atlanta, from NBC. Through June, 1980, ABC listed 207 network affiliates.

Elsewhere in the corporation, ABC Video Enterprises launched several projects, including videocassettes of Pope John Paul's visit to the U.S. and the Winter Olympics. The pay video unit also will supply educational programing to schools through the National Education Assn.

Video Enterprises has signed a deal with director Robert Altman and the Schubert Organization to package offerings from the legitimate stage. Some projects will simply be cassettes of Broadway shows; others may be plays directed or selected by Mr. Altman. Regional theater could also be involved. At this point the unit does not have an agency.

The Democratic Convention
ABC NEWS
ABC News takes the floor at the Democratic Convention.

American Broadcasting Co. ad supporting its news team coverage of the Democratic convention.

The other recent addition to the ABC corporate family is ABC Motion Pictures. It is headed by Brandon Stoddard, the ABC exec who pioneered the network's long-form programing, which produced "Roots" and "Roots 2," among other things.

ABC Motion Pictures, which also does not yet have an ad agency, plans to produce three or four films per year at an average budget of $8,000,000 each. Though no titles have been set, ABC recently picked 20th Century-Fox to distribute the feature films. The deal may ultimately lead to some sort of co-venture in production and distribution of videodiscs and cassettes.

ABC Radio continued to bolster the largest domestic radio operation, with annual revenues over $100,000,000 and profits in the $30,000,000 range. The division encompasses the ABC Radio Network with its 1730 affiliates on four separate networks and a string of highly rated am and fm outlets.

Notable developments in the division included the formation of two new units, ABC Radio Marketing Services and the National Market Development Group, both designed to attract more radio ad dollars. ABC Radio also landed broadcast rights to the Kentucky Derby and in its first year attracted a record 14,000,000 listeners for the occasion.

▪ The ABC Radio Network, meanwhile, agreed to purchase a wide variety of exclusive programing from D.I.R. Broadcasting.

Elsewhere, ABC's entry into the travel agency field ended after a year as ABC sold Travel Network, a franchise organization of 140 travel agencies, to VAC Vacation America. A year earlier, ABC paid $5,000,000 for the San Diego-based company. The sale, according to ABC, resulted in no material gain or loss for the company.

Statistical Guide

Advertising as % of sales 8
Media expenditures breakdown................ 12
100 Leaders' share of national media 88-89
Top 25 advertisers:
  In newspapers............. 40
  In magazines.............. 48
  In spot radio.............. 56
  In spot tv.................. 60
  In network tv............. 60
  In network radio.......... 68
  In outdoor................. 70
  In farm papers............ 78

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$10,891,700	$10,167,500
Magazines	16,174,900	12,819,400
Spot tv	4,244,400	4,200,900
Spot radio	304,200	552,300
Network radio	708,600	372,200
Outdoor	1,005,600	422,000
Total measure	$33,329,400	28,534,300
Unmeasured	8,720,100	7,320,100
Estimated total	42,049,500	35,854,400

MARKETING PERSONNEL
ABC-TV Network

H. Weller (Jake) Keever, vp-sales
Warren Boorom, vp-genl sales mgr
Robert Silberberg, vp-natl sales mgr
Gordon Link, vp-director, eastern sales
John Lazarus, vp-sports sales
John Tiedemann Jr., vp-daytime sales
Robert Cagliero, vp-early morning sales
Marvin Goldsmith, vp-prime time sales proposals
William Breen, vp-news sales
Anthony Rocco, vp-business devel
Charles Allen, vp-sales admin
Jerry Solomon, vp-marketing
Symon Cowles, vp-creative services
John Curry Jr., vp-adv
Pete Barrett, director of ad services
Joel Cohen, vp-special projects

ABC Sports

Peter Dimmock, vp-worldwide mktg & syndication

ABC Owned TV Stations Division

Carol Bauer, vp-creative services

ABC-TV Spot Sales

Walter Flynn, vp-gen mgr
Georgia Breza, director of planning & admin

ABC Radio Division

Robert Cambridge, director of mktg
Linda Goodman, genl mgr, natl mkt devel group

ABC Radio Network

Louis Severine, vp-sales
Arthur Sulzburgh, vp-natl sales mgr
Michael Winter, director, creative services
Leo Collins, director, mktg services
Sam Patterson, adv & promotion mgr

ADVERTISING AGENCIES

McCaffrey & McCall, New York—ABC-TV Network, ABC News—Bill Bolster, vp-acct super; Radford Stone, mgmt super. John Mulholland, acct super.

Grey Advertising, New York—ABC Movies—Don Foley, acct super.

Muller Jordan Weiss, New York—ABC Radio Network—William Nightingale, acct super.

American Airlines

	1979	1978
Sales	$3,252,532,000	$2,735,508,000
Earnings	87,445,000	134,396,000
Advertising	35,039,800	29,000,000

American Airlines, Dallas/Fort Worth Airport, the nation's 96th largest advertiser, increased its advertising budget by 21% to $35,039,800.

American Airlines is made up of four units—American Airlines, the nation's second largest domestic trunk carrier; Sky Chefs, an in-flight catering, airport restaurant and gift subsidiary; AA Training Corp., marketers of American's flight simulator and training capabilities, equipment and service to other airlines, military, commercial and government sources, and AA Development Corp. and AA Energy Corp., oil and gas exploration companies.

Like other carriers, American's 1979 performance fell short of record '78 revenues and earnings. Total operating revenues increased 18.9% to $3,252,532,000, but net earnings dropped 34.9% to $87,445,000 in 1979.

While the carrier benefited from United Airlines' strike in April and May of 1979, more negatives than positives emerged, led by a 56% increase in jet fuel costs. American spent $801.5 million for fuel in 1979. Unusually severe weather conditions plagued flight operations in major American markets during the early part of the year. Finally, the tragic DC-10 crash in Chicago in May, 1979, and subsequent groundings hit American particularly hard, impairing flight schedules for more than six weeks.

▪ Despite its problems, American saw a 15.1% increase in scheduled revenue passenger miles (the number of passengers carried per mile) due to the United strike. The carrier's passenger load factor (percentage of seats occupied by paying passengers) was 67.4%—3.7 points higher than that in 1978. But because of price discounting and promotion, yields dropped.

Many of the carrier's woes continued in the first half of 1980. Jet fuel prices soared 88.4% in the first quarter compared with '78, even though consumption dropped 6.1%. Competition brought more price cutting and promotion on transcontinental routes. The long-awaited recession hit American and others as business and leisure travel decreased during the first half.

▪ During the year, American Airlines completed its relocation from New York to a new headquarters near the Dallas/Fort Worth airport. More than 800 employes made the move, including the marketing and advertising departments.

While passenger advertising remained at Doyle Dane Bernbach, New York, the carrier dropped Creamer Inc., New York, as its agency for freight advertising and consolidated its freight advertising and passenger and freight di-

WHERE AA GOT ITS DATA

The data on "measured media expenditures" in this report on the 100 leading national advertisers come from various statistical services and associations.

These include Leading National Advertisers, the Publishers Information Bureau, Radio Advertising Bureau, Radio Expenditure Reports, Agricultural Marketing Information Service (Agricom), LNA-Broadcast Advertisers Reports, Media Records, Institute of Outdoor Advertising and the Outdoor Advertising Assn. of America.

All of the estimated expenditures are estimated by ADVERTISING AGE.

Index to Marketing Reports

Company	Page
ABC	2
American Airlines	3
American Brands	4
American Cyanamid Co.	8
American Express Co.	14
American Home Products Corp.	14
American Honda	16
American Motors	20
American Telephone & Telegraph	20
Anheuser-Busch	22
B.A.T. Industries Ltd.	24
Beatrice Foods	28
Beecham Group	32
Borden Inc.	32
Milton Bradley Co.	36
Bristol-Myers Co.	36
Brown-Forman Distillers	40
CBS Inc.	44
CPC International	48
Campbell Soup Co.	48
Chesebrough-Pond's	50
Chrysler Corp.	52
Clorox Co.	56
Coca-Cola Co.	58
Colgate-Palmolive Co.	58
Consolidated Foods	60
Delta Air Lines	63
DuPont	64
Eastern Air Lines	64
Eastman Kodak Co.	64
Esmark Inc.	68
Ford Motor Co.	70
General Electric Co.	74
General Foods Corp.	76
General Mills	78
General Motors Corp.	80
Gillette Co.	87
Greyhound Corp.	87
Gulf+Western Industries	89
H.J. Heinz	90
Heublein Inc.	92
International Business Machines	92
International Telephone & Telegraph	94
Johnson & Johnson	96
S.C. Johnson & Son	97
K mart Corp.	98
Kellogg Co.	98
Kraft Inc.	99
Liggett Group	100
Loews Corp.	101
MCA Inc.	102
Mars Inc.	103
Mattel Inc.	104
Mazda Motors of America	105
McDonald's Corp.	105
Miles Laboratrories	106
Mobil Corp.	107
Philip Morris Inc.	108
MortonNorwich Products	109
Nabisco Inc.	110
Nestle Inc.	110
Nissan Motor Corp.	112
North American Philips Corp.	112
Norton Simon Inc.	113
Noxell Corp.	114
J.C. Penney Co.	115
PepsiCo Inc.	115
Pfizer Inc.	118
Pillsbury Co.	118
Polaroid Corp.	118
Procter & Gamble	120
Quaker Oats Co.	120
RCA Corp.	122
Ralston Purina Co.	123
Revlon Inc.	124
R.J. Reynolds Industries	125
Richardson-Merrell	126
A.H. Robins Co.	126
Schering-Plough Corp.	128
Jos. Schlitz Brewing Co.	128
Scott Paper Co.	129
Seagram Co.	130
Sears, Roebuck & Co.	131
SmithKline Corp.	132
Squibb Corp.	134
Standard Brands	134
Sterling Drug Co.	135
Levi Strauss & Co.	136
Time Inc.	137
Toyota Motor Co.	138
Trans World Corp.	139
Transamerica Corp.	140
UAL Inc.	140
Unilever	140
Union Carbide Corp.	142
United States Government	142
Volkswagen of America	143
Warner Communications	144
Warner-Lambert Co.	145
Wm. Wrigley Jr. Co.	146

MARKETING PROFILES

rect mail promotion with Bozell & Jacobs Southwest, Dallas.

▪ With deregulation acting as a catalyst, American played a marketing "match" game in 1979 and early 1980. First, United introduced its half-fare coupon program that American decried as unprofitable but matched for competitive reasons. American also followed TWA's February and March, 1979, winter sales offering deep discounts and a "kids fly free" fare. A $108 transcontinental fare started by the competition was matched in the summer of 1979.

In March, 1980, United caught American by surprise once again when it introduced its Take-Off game. American execs criticized the game idea, but quickly topped it with the Great American Game—a scratch card sweepstakes tied into the opening of the baseball season. Winners received one-month unlimited travel passes, 10,000 free roundtrip tickets, ticket upgrades and free inflight cocktails or movie headset rentals. Newspaper and tv supported the promotion in April and early May, 1980.

The brief $108 fare in 1979 proved to be a prelude to transcontinental price slashing triggered by Eastern Airlines' June, 1980, entry from New York to Los Angeles (American's largest route based on revenue passenger miles) and San Francisco (its fourth largest route). With market share at stake, American converted to an all-Boeing 747 fleet on its New York-Los Angeles route, providing heavy media support for the new service.

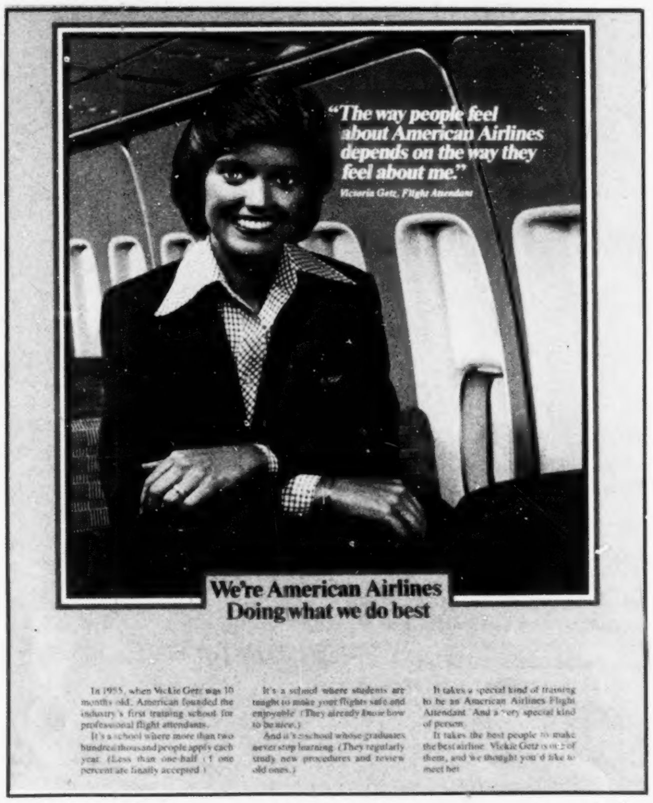
American's advertising continued to emphasize service, fares and destinations in 1979 and the first half of 1980. Sticking with the overall theme, "We're American Airlines doing what we do best," the carrier advertised Super Saver discount fares and Family Fare packages. In November, 1979, it started the broadest magazine campaign in its history in such publications as *Time* and *Newsweek*. The ads, featuring American employes, will run through 1980.

▪ New destinations also figured prominently in American's advertising as deregulation opened markets. In 1979, American added 14 new cities to its route system including Albuquerque, Las Vegas, Miami, Minneapolis/St. Paul, Nassau, New Orleans, Reno, St. Maarten, Tampa and five Mexican resorts.

Through mid-1980, it started service from Chicago and Dallas-Fort Worth to Seattle and Dallas-Fort Worth to Sacramento. American also announced plans for service from Los Angeles and San Francisco and Hawaii. It discontinued service to Providence, R.I., Charleston, W. Va., Oakland, Cal., and Islip, N.Y.

Deregulation threw American into the middle of the industrywide debate over travel agent compensation. After United Airlines introduced its flat fee compensation idea in February, 1980, American countered, in April, with a flat fee plus percentage plan. Soon after, TWA came out with its plan that retained standard percentage commissions. American reverted back to percentage rates along with special payments and override plans.

In March, 1980, American completed the sale of its Americana Hotels division when it sold 13 properties to Pick Hotel Corp., Chicago. During 1979, American sold three New York hotels to Sheraton Corp. and its South Korean properties to Western International Hotels. American still owns the Inn Of The Six Flags, Arlington, Tex.


"The way people feel about American Airlines depends on the way they feel about me."
Victoria Getz, Flight Attendant
We're American Airlines
Doing what we do best

In 1955, when Vickie Getz was 10 months old, American founded the industry's first training school for professional flight attendants.

It's a school where more than two hundred thousand people apply each year. (Less than one-half of one percent are finally accepted.)

It's a school where students are taught to make your flights safe and enjoyable. (They already know how to be nice.)

And it's a school whose graduates never stop learning. (They regularly study new procedures and review old ones.)

It takes a special kind of training to be an American Airlines Flight Attendant. And a very special kind of person.

It takes the best people to make the best airline. Vickie Getz is one of them, and we thought you'd like to meet her.

American Airlines ad campaign featuring company employes is the broadest magazine campaign in company history.

Scheduled freight revenue rose 13.2% to $251,509,000 due to rate increases and attempts to develop high-yield freight traffic. Priority Parcel Service, a guaranteed parcel delivery service, and increased use of intermodal containers contributed to freight revenues. Despite these measures, the airline's freight traffic declined 3.1% to 606,327,000 ton miles of freight because of softness in the automobile industry.

▪ In 1979, Sky Chefs set records as pretax income hit $11,100,000, a 29.5% increase, and revenues reached $189,700,000, up 13.5%. A new flight kitchen was opened at Nashville International Airport, and facilities at San Diego International Airport were expanded. Additions and changes slated for 1980 include a new kitchen and start of operations at St. Louis, new kitchen at Tucson and remodeling at Cleveland and New York's La Guardia Airport.

American Airlines Training Corp. completed its first full year in operation as the marketer of American's flight simulator and other training equipment. The company formed a subsidiary to provide DC-10 simulator training in England for foreign operators beginning in 1981. In addition, it established the first Boeing 737 training school in the Dallas/Fort Worth area.

AA Development Corp. and AA Energy Corp. had combined pretax earnings of $1,700,000 in 1979. The two companies were actively exploring or developing 55 wells in the U.S. during the year. AA Energy Corp. has interests in wells in Texas and Louisiana and in production and exploratory acreage in those states plus North Dakota and Utah.

During the year, American opened new or improved terminals at Phoenix Sky Harbor Airport, Baltimore International Airport and San Diego International Airport. It also expanded facilities at Greater Pittsburgh International Airport and New York's Kennedy International Airport.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	**$12,878,400**	**$10,279,000**
Magazine	**2,072,400**	**1,583,600**
Spot tv	**9,411,200**	**9,421,400**
Network tv	**1,130,100**	**422,100**
Spot radio	**3,540,406**	**3,408,100**
Outdoor	**308,900**	**239,000**
Total measured	**29,341,400**	**25,353,200***
Unmeasured	**5,698,400**	**3,646,800***
Estimated total	**35,039,800**	**29,000,000**

***Restated**

MARKETING PERSONNEL

Robert L. Crandall, president
Thomas G. Plaskett, senior vp-mktg
William P.Shannon, vp-field sales/services
Randall Malin, vp-passenger sales and adv
Robert H. Phillips, vp-passenger services
Wesley G. Kaldahl, vp-mktg resources
Robert W. Baker, vp-freight mktg
George L. Mueller, senior director, freight sales/adv
Willard J. Dreslin, director, freight adv & sales promo

ADVERTISING/SALES PROMOTION

James G. Godsman, asst vp, adv & sales promo
Ann S. Boylan, director, adv
Bruce S. Goodyear, mgr, adv
Judith A. Kirvan, mgr, adv
David H. Witt, mgr, adv
Joseph N. Comiskey, mgr, adv services
Frank J. DiNuzzo III, director, sales promo
John W. Bryce, mgr, sales promo
Phyllis E. Guest, mgr, sales promo
Ronald C. Scott, mgr, sales promo

ADVERTISING AGENCIES

Doyle Dane Bernbach, New York—passenger adv—Peter Falcone, group senior vp; Greg Brauer, acct super; Dennis Byrnes, vp-mgmt super; William Jackson, Steve Haber, senior acct execs; Elizabeth Savage, Marty Kleanman, asst acct execs; Mary Miterko, acct coordinator; Ray Targonski, budget direotor.

Bozell & Jacobs Southwest, Dallas—passenger & freight direct mail promo and systemwide freight advertising—Paul H. Gold, senior vp, director of client services, passenger; Don Raumaker, senior vp, director of client services, freight; Charles Packard, vp-acct super; Pat Mayben, vp-acct super, passenger; Catherine Whitbread, Peter Mitchell, Larry Hinson, acct execs.

American Brands

	1979	1978
Sales	**$5,845,985,000**	**$5,176,706,000**
Earnings	**347,331,000**	**211,539,000**
Advertising	**83,549,200**	**77,270,500**

American Brands, New York, the 56th largest national advertiser, increased its ad spending in 1979 to $83,549,200, an 8% increase over its 1978 expenditure of $77,270,500 and nearly equal to its 1977 ad spending.

Sales of the highly diversified company increased about 13% to $5.8 billion, while earnings soared 64% to a record $347,331,000. Of that, almost $28,000,000 comprised a noncash tax credit in the accounts of Gallaher Ltd., a United Kingdom subsidiary. The credit represented forgiveness of deferred taxes charged against 1973 and 1974 income.

Tobacco products account for almost 62% of sales and about 59% of operating income for the company. They are handled by three distinct entities: Gallaher Ltd., the international arm; American Tobacco, the domestic cigaret company; and American Cigar, producer of cigars and smoking tobacco.

International tobacco sales accounted for 42.1% of American Brands sales, up slightly from 42%. Domestic sales contributed 19.7%, down slightly from 20.8%.

▪ American Tobacco continues as the fourth largest cigaret company, trailing R.J. Reynolds, Philip Morris and Brown & Williamson. It is ahead of Loews' Lorillard division and Liggett Group. Domestic cigaret production dropped slightly from 72.47 billion units in 1978 to 72.23 billion in 1979. Market share remained virtually the same at 11.6%, down from 11.7% in 1978.

Industry analyst John C. Maxwell Jr. estimates that unit volume for the industry rose 1.2% in 1979, although the bulk of the increase can be attributed to new brand introductions and an extra working day in the fourth quarter. Adjusted for these factors, the rise is only 0.3% to 0.4%, about the same as last year and consistent with a six-year trend of declining growth rates.

American Tobacco has four major product lines: Carlton, Pall Mall, Tareyton and Silva Thins. Unit volume of Pall Mall, the company's largest-selling brand, fell from 37.3 billion to 34.36 billion, but was still enough to retain fifth place among all brands.

Carlton, on the other hand, continued as the fastest growing brand among all brands by registering an almost 50% jump from 10.09 billion units to 15.06 billion. Carlton, the industry's pioneer low-tar brand, also nosed out Phillip Morris' Merit for greatest unit sales gain and leaped from 16th place to 11th place among all brands. The increase was paced again by Carlton Filter 100s, up from 0.5% of the total market to 0.9%, with sales moving from 2.90 billion to 5.29 billion.

Tareyton sales declined from 13.10 billion units to 12.24 billion, although Tareyton Low Tar 100s, new in 1978, moved up 25.4% to 1.48 billion units. Sales of Silva Thins continued to slide, down from 1.82 billion to 1.58 billion. Interestingly, the company appears to have spent no money advertising its Lucky Strike brand, and the brand is only briefly mentioned in the company's annual report. Yet sales topped 6.7 billion units in 1979 (down slightly from 1978), making it the 23rd largest brand.

American Tobacco reports that low-tar brands accounted for 79% of the company's filter cigaret volume, up from 75% in 1978. However, filter cigarets still make up only 54.1% of total volume, compared with 78% at Liggett and 92% to 99% at the other three companies. Indeed, some industry observers attribute the company's fall from preeminence to a slowness to recognize the trend toward filter cigarets in the mid-1950s.

The company backed its cigarets with more than $44,000,000 in measured advertising last year. Carlton was again the big spender with $7,800,000 in newspapers in the top 10 markets and almost $10,000,000 in magazines. About $6,000,000 in outdoor brought the total to $23,700,000, a boost of more than $10,000,000 over 1978.

▪ Tareyton allocated $7,300,000 to magazines, $605,000 to newspapers in the 10 top markets and about $3,000,000 to outdoor for a total of $11,100,000. All the magazine money was spent on Tareyton Lights and Long Lights, while the bulk of the outdoor went to Tareyton Lights.

Pall Mall spent $7,900,000, most of it on Pall Mall Light 100s, and most of that on magazines ($6,220,000). Light 100s was the only Pall Mall style that did not decline in unit sales in 1979; after introduction in August, 1978, and sales of .55 billion units in 1978, Light 100s reached .98 billion units for all of 1979. Silva Thins' support totaled about $1,300,000.

American Tobacco uses a fee system to compensate its agencies, instead of the standard commission approach. The fee system guarantees an agency profits up to a certain percentage of billings and provides for client/agency sharing profits in excess of a certain percentage of billings, the company says. In its annual report, American Brands said the fee system saved the company $3,173,000 in 1979 for a total of over $28,000,000 for the 15 years the system has been in operation.

▪ American Brands' British subsidiary, Gallaher Ltd., accounted for a record $152,000,000 in operating income. Sales were $3.4 billion, of which about 28% came from Gallaher's nontobacco operations—optical, engineering, retailing and wholesaling.

Benson and Hedges Special Filter (not to be confused with Philip Morris' domestic brand) continues as the largest-selling U.K. brand. Silk Cut is claimed to be the largest-selling low-tar brand. Park Drive and Kensitas are the other major Gallaher brands.

Among cigars, Gallaher's Hamlet, the leading brand, increased sales more than 10% for the second year in a row.

American Cigar, the company's third tobacco unit, suffered a loss of $829,000 in 1979, compared with a profit of $1,480,000 the year before. Sales were down to $39,000,000 from $45,100,000. Unit sales in the domestic cigar industry continue to fall, but a 1978 move to consolidate American Cigar's production operations was expected to increase profit margins. Felipe Silva was named president of the company in early 1979 in a shakeup.

▪ Antonio y Cleopatra continued to account for more than half the cigar volume but experienced a unit sales decline for only the second time in 18 years. Most of the volume loss came from the lower end of the market with brands like Roi-Tan. Two premium products, under the La Corona name did post increases.

Antonio y Cleopatra received $500,000 in magazine backing, while two imported Dutch smoking tobaccos, Flying Dutchman and Sail, received about $117,000 and $67,000 respectively.

▪ James B. Beam Distilling Co. subsidiary reported record sales of $188,400,000, up slightly from $186,000,000. Operating income jumped 12% from $22,940,000 to $25,770,000. Jim Beam bourbon sales were up $5,900,000 to $145,300,000, accounting for 77% of the division's sales and 83% of operating income.

The bourbon received $1,780,000 in magazine support, $339,000 in outdoor and $198,000 in newspapers in the top 10 markets. Beam's Sour Mash bourbon received $580,000 of support, mostly in magazines. The company's lone entry in the scotch market, Spey Royal, was supported by $2,400 in outdoor. Mr. and Mrs. "T" Bloody Mary mix was backed by $24,500 in magazines.

Sunshine Biscuits reaped sales gains of $25,000,000 to $238,700,000 with operating income increase of $1,000,000 to $11,700,000. Krispy crackers, Cheez-It crackers, Vienna Fingers, Hi Ho crackers and Hydrox cookies, which account for more than half the division's poundage, showed a combined sales increase. Media spending: Sunshine cookies and crack-

MARKETING PROFILES

ers, $420,000; Bell Brand snack foods, $99,000. In early 1979, Sunshine shifted its advertising east of the Rockies to Marsteller Inc., New York. The account formerly was at SSC&B. Ogilvy & Mather, Los Angeles, continues as Sunshine's agency in western states.

Duffy-Mott sales were up almost 10% to $93,400,000, while operating income leaped 58% from $3,700,000 to $5,800,000. Apple products led with a 34% increase, including the introduction of frozen concentrated apple juice and apple sauce with ground cranberries. The apple line increased its market share and accounted for 80% of Duffy-Mott's profits. Most of the remaining profits came from Clamato and Grandma's molasses. Clamato reached sales highs in the U.S. and was particularly strong in Canada. Grandma's increased market share and was the division's second most profitable product. Grandma's Green Label molasses was distributed in key markets and will be expanded. Prune juice sales were off because of a short crop and resulting higher prices.

Clamato was supported by $154,000 in magazines and $122,000 on spot tv. Apple products received about $230,000 in magazines and spot tv.

Andrew Jergens Co.'s operating income rose 9% to $7,300,000; sales were up only slightly to $84,000,000. New products included a national rollout of Gentle Touch soap and hand and body lotion, along with Spring Feeling shampoo and Jergens deodorant soap. Jergens' share of the domestic soap market increased, although lotion and shampoo sales were hurt by new competitors. About 45% of sales came from products introduced in the last five years.

- Gentle Touch products received over $2,000,000 in support in magazines and tv. Of that, about $1,600,000 went to network tv for Gentle Touch soap. Jergens lotion had almost $1,000,000 in backing, about half of which went to magazines and half went to tv. Gee Your Hair Smells Terrific! shampoo spent about $600,000, with about half in magazines and half in network tv and network radio. Spring Feeling shampoo spent about $42,000 on network tv and $28,000 on network radio, with $15,000 in other media.

Swingline Inc., marketer of cutlery, staplers and fasteners, increased operating income 36% to $21,795,000 with sales jumping 6% to $168,047,000.

Wilson Jones Co., manufacturer of business forms, files and diaries, increased sales 11% to $87,599,000, while operating income increased 16% to $20,391,000.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$21,102,400	$18,355,300
Magazines	31,399,300	26,399,200
Spot tv	1,530,500	4,404,100
Network tv	3,329,100	3,749,400
Spot radio	39,800	46,300
Network radio	156,100	82,400
Outdoor	10,287,000	9,683,800
Total Measured	67,844,200	62,720,500
Unmeasured	15,750,000	14,550,000
Estimated Total	83,594,200	77,270,500

AMERICAN TOBACCO CO.

New York

MARKETING PERSONNEL

T.C. Hays, vp-mktg
W.J. Moores, adv mgr
N.H. Chester, media director
J.R. Costello, mktg controller
M.J. O Neill, mkt rsch director
D.R. Dugan, asst adv mgr—Pall Mall, Lucky 100s, Lucky Ten, Lucky Strike, Iceberg 100s, Silva Thins filter and menthol, American lights filter and menthol, Long Johns filter and menthol, Montclair, Bull Durham filter, Half and Half, Twist lemon menthol 100s.
H.W. Bahrenburg, product mgr—Carlton, Tall Filter and Menthol.
C.A. Jackson, product mgr—Tareyton
E. Gesell, asst product mgr—Tareyton
J.A. McGinn-product mgr
J.J. Mellett, media specialist
W.R. Degenhardt, asst media specialist

SALES

C.H. Mullen, vp-sales
P.F. Paoluccio, exec sales mgr
M.A. Bishoff, asst to vp sales
A.S. Roses, sales promo & merch director

ADVERTISING AGENCIES

SSC&B, New York—Pall Mall, Lucky Ten, Lucky Strike, American Lights filter and menthol, Tall filter and menthol, all smoking tobacco-Alfred J. Seaman, chairman-ceo; S. Haegan Bayles, chairman; Douglas Bomeisler, acct mgr; Frank Doyle, acct super; Dan Bellucci, acct exec.

F. William Free & Co., New York—Carlton, Silva Thins filter and menthol, Lucky 100s, Iceberg 100s-William Free, ceo; Don Coleman, chairman; Richard Morse, senior vp-mgmt super; Kent Laymon, vp-acct super; Tom Keane, acct exec; Ann DeFranco, acct exec.

Daniel & Charles Associates, New York—Tareyton-Charles Goldschmidt ceo; Dan Karsch, mgmt super; Lynn Sachs, acct exec.

SUNSHINE BISCUITS

New York

MARKETING PERSONNEL

B. William Arnold, vp-mktg
J.R. Neidenberg, director mktg
Gerald P. Jantzi, product mgr-crackers
Bob Hasteadt, product mgr-cookies
Joel Sherman, area mktg mgr
K.J. Laessig, area mktg mgr
John J. Tiernan, senior product mgr

ADVERTISING AGENCY

Marsteller Inc., New York—Jay Ashton, vp-acct super; Lou Magnani, vp-genl mgr; Matthew Kasman, acct exec; Larry Margolin, acct super; Bert Rosenberg, group vp.

DUFFY-MOTT CO.

New York

MARKETING PERSONNEL

K.J. Ward, vp-mktg & sales
M.J. Burt, group product mgr
J.L. Cleary, mktg mgr
O.S. McGovern, meetings mgr

ADVERTISING AGENCY

Compton Advertising, New York—James M. Lomonosoff, acct super.

ACME VISABLE RECORDS

Crozet, Va.

MARKETING PERSONNEL

R.E. Webb, genl sales mgr

ADVERTISING AGENCY

Al Paul Lefton Co., New York—G. William Wolfston, vp.

WILSON JONES CO.

Chicago

MARKETING PERSONNEL

J. Janes, vp-mktg mgr
R. Smock, director, mktg services
M. Rosenfeldt, adv mgr

ADVERTISING AGENCY

Al Paul Lefton Co., New York—G. William Wolfston, vp.

ACUSHNET CO.

New Bedford, Mass.

MARKETING PERSONNEL

Golf Division

R.B. Forbush, business mgr, golf balls
M.M. Foegen, business mgr, clubs & accessories
W.R. Uihlein, general sales mgr
N.W.H. North, mgr, intl

Rubber Division

J.W. Burns, vp-mktg & sales
R.T. LaCrosse, director of mktg, CMP
R.A. Bugg, product mgr, automotive-CMP
J.S. Wileczka, genl sales mgr
R.C. Bernier, product mgr, ElastaCast/O-Ring

ADVERTISING AGENCIES

Humphrey Browning MacDougall, Boston—golf division—Terrence O'Leary, acct super.

Creamer Inc., Providence, R.I.—rubber division—Robert Lynch, vp-adv & media super.

JAMES B. BEAM DISTILLING CO.

Chicago

MARKETING PERSONNEL

MARKETING PROFILES

R. Soderman, vp-director, mktg services
V. Zast, director, adv sales promo

ADVERTISING AGENCIES

Lee King & Partners, Chicago—Jim Beam bourbon—Charles Brom, acct super.

Arthur Meyerhoff & Associates, Chicago—Beam's Black Label bourbon, Beam's Choice bourbon, Dark Eyes vodka, Chateaux cordials, Spey Royal scotch, Beamero tequila, Mr. & Mrs. "T" mixes—Robert Fierst, acct super.

SWINGLINE INC.
THE SWINGLINE CO.

New York

MARKETING PERSONNEL

J. McEvily, vp-mktg, consumer prods
F. Weiss, vp-mkt devel
G. Telchin, director of mktg, office prods
B. Oliver, vp-mktg, office prods
P. Eibler, mktg mgr, consumer prods & retail stationery

ADVERTISING AGENCIES

Al Paul Lefton Co., New York—G. William Wolfston, vp-acct exec, office products.

W.B. Doner & Co., Baltimore—R. Jaeckel, acct exec, consumer products.

MASTER LOCK CO.

Milwaukee

MARKETING PERSONNEL

J.A. Yates, vp-mktg
E. Allen, mgr, mktg services

ADVERTISING AGENCIES

Cramer-Krasselt, Milwaukee—consumer trade, intl adv—W. Faude, acct super.

ANDREW JERGENS CO.

Cincinnati

MARKETING PERSONNEL

R.G. Chandler, vp-mktg
Kent Eanes, vp-new products

Sales

R.L. Dom, vp-sales

ADVERTISING AGENCY

Cunningham & Walsh, New York—Jergens lotion (white and yellow), Gee, Your Hair Smells Terrific, shampoo & conditioner, Gentle Touch soap—Frank Vernon, mgmt super; Carole Foxley, acct super; Judy Block and Robert Forman, acct execs.

AMERICAN CIGAR

New York

MARKETING PERSONNEL

G.L. Theophilos, vp-sales
K.P. Noone, product mgr
T.P. Tiernan, mgr, sales admin
E.M. Totty, sales mgr, Central
E.A. Vega, sales mgr, South
G.F. Ward, sales mgr, East
S.G. Dye, sales mgr, West
J.E. Vyse, mktg controller

ADVERTISING AGENCY

SSC&B, New York—Roi-Tan, Antonio y Cleopatra, Bock y Ca, La Corona cigars, Roi-Tan Little cigars, A&C little cigars, Deringer little cigars, Skallorna, Sail Flying Dutchman, Clan Smoking tobaccos—S. Heagan Bayles, chairman; Howard Becker, vp; Frank Doyle, acct super.

FRANKLIN LIFE INSURANCE CO.

Springfield, Ill.

MARKETING PERSONNEL

R.L. Kehrli, senior vp-agency mktg operations
T.M. Costa, vp-adv & sales promo

American Cyanamid Co.

	1979	1978
Sales........	**$3,186,998,000**	**$2,780,170,000**
Earnings	**168,495,000**	**155,943,000**
Advertising*	**127,000,000**	**115,000,000**

*** AA estimate**

American Cyanamid Co., Wayne, N.J., the 34th largest U.S. advertiser, increased its advertising for 1979 by 10% with estimated total expenditures of $127,000,000.

Worldwide, Cyanamid invested $198,000,000 in advertising, up 11% from $178,900,000 in 1978.

Worldwide sales increased 15% from $2.8 billion to $3.2 billion. Net earnings worldwide were $168,495,000, up 8%. Operating earnings were $329,000,000, up 6% for the year.

For the first half of 1980, sales were $1.67 billion, up 7.7% from $1.55 billion in 1979 and earnings were down 16%, to $70,600,000, from $83,900,000 a year earlier. The recession, Cyanamid noted, adversely affected its sales growth and cost increases could not be passed along.

▪ The company noted that it is continuing its cost reduction program to improve efficiency and eliminate waste, reviewing each product line to ensure acceptable profit levels and directing the

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100 Leaders' Advertising as Per Cent of Sales

Covering total 1979 ad expenditures, including measured and unmeasured media

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Airlines

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
68	Trans World Corp.	$61,994,900	$4,334,000,000	1.4
77	UAL Inc.	52,461,900	3,831,523,000	1.4
88	Eastern Air Lines	40,400,000	1,881,526,000	1.4
96	American Airlines	35,039,800	3,252,532,000	1.1
97	Delta Air Lines	33,500,000	2,654,026,000	1.3

Appliances, Tv, Radio

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
24	RCA Corp.	158,600,000	7,454,600,000	2.1
31	General Electric Co.	139,407,500	22,460,600,000	0.6
84	North American Philips Corp.	44,179,375	2,409,003,000	1.8

Automobiles

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
4	General Motors Corp.....	323,395,900	66,311,200,000	0.5
10	Ford Motor Co..........	215,000,000	1,409,003,000	0.5
40	Chrysler Corp..........	118,000,000	12,000,000,000	1.0
57	Toyota Motor Sales U.S.A.	80,256,200	13,460,000,000	0.6
65	Nissan Motor Corp.......	66,082,900	13,079,598,000	0.5
75	Volkswagen of America ..	44,611,600	3,117,049,000	1.4
83	American Motors Corp....	44,611,600	3,117,049,000	1.4
85	American Honda Motor Co.	44,000,000	3,619,000,000	1.2
100	Mazda Motors of America	28,365,600	900,000,000	3.2

Chemicals

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
34	American Cyanamid Co...	127,000,000	3,186,998,000	4.0
52	DuPont	89,380,700	12,572,000,000	0.7
74	Union Carbide Corp......	55,100,000	9,176,500,000	0.6

Communications, Entertainment

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
29	CBS Inc...............	146,118,000	3,729,701,000	3.9
46	Time Inc..............	102,360,000	2,504,060,000	4.1
48	Transamerica Corp.	95,048,300	4,044,647,000	2.3
66	MCA Inc...............	66,000,000	1,266,400,000	5.2
72	Warner Communications..	57,600,000	1,648,027,000	3.5
87	ABC Inc.	42,049,500	2,053,570,000	2.0

Drugs

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
36	Richardson-Merrell	123,800,000	1,090,546,000	11.4
43	SmithKline Corp.........	107,737,000	1,351,145,000	8.0
49	Sterling Drug Co.	92,000,000	81,180,000	11.2
58	Schering-Plough Corp. ...	78,000,000	1,434,022,000	5.4
59	Miles Laboratories.......	77,822,800	595,218,000	13.1
70	Squibb Corp............	60,000,000	1,452,712,000	4.1
86	Pfizer Inc.	43,731,200	1,196,900,000	3.7
93	A. H. Robins Inc.........	36,955,900	386,425,000	9.6

Food

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
2	General Foods	393,000,000	5,959,600,000	6.5
14	McDonald's Corp........	202,807,500	5,385,000,000	3.8
16	General Mills...........	190,746,500	4,170,278,000	4.6
17	Esmark Inc.............	170,547,000	6,771,883,000	2.5
21	Norton Simon Inc........	163,187,830	2,755,934,000	5.9
27	Beatrice Foods Co.......	150,000,000	8,290,509,000	1.8
33	Pillsbury Co.	131,549,400	3,032,000,000	4.3
39	Kraft Inc...............	119,653,600	6,432,935,000	1.9
42	Ralston Purina Co.	108,028,200	4,600,000,000	2.3
45	Consolidated Foods Corp.	105,000,000	5,000,000,000	2.1
50	Kellogg Co.............	91,645,700	1,850,000,000	5.0
51	Nabisco Inc.	91,295,000	2,362,000,000	3.9
54	Quaker Oats Co.........	86,640,000	1,966,300,000	4.4
55	Nestle Enterprises.......	85,978,600	1,433,000,000	6.0
61	CPC International Inc.....	72,000,000	3,698,700,000	1.9
63	H. J. Heinz Co..........	71,469,335	2,924,774,000	2.4
69	Campbell Soup Co.......	60,524,400	2,248,692,000	2.7
80	MortonNorwich	49,209,800	731,984,000	6.7
91	Borden Inc.............	38,958,600	4,312,533,000	0.9
95	Standard Brands........	36,400,000	2,613,274,000	1.4

Gum and Candy

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
64	Mars Inc...............	69,523,000	887,600,000,000	7.8
81	Wm. Wrigley Jr. Co......	48,452,400	505,399,000	9.6

Photographic Equipment

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
53	Eastman Kodak Co.	$ 87,751,300	$ 8,028,231,280	1.1
78	Polaroid Corp...........	50,480,300	1,361,454,000	3.7

Retail Chains

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
3	Sears, Roebuck & Co. ...	379,312,500	17,514,000,000	2.1
6	K mart Corp............	287,095,100	12,731,145,000	2.3
38	J. C. Penney Co.	122,000,000	11,274,000,000	1.1

Soaps, Cleansers (and Allied)

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
1	Procter & Gamble.......	614,900,000	10,772,186,000	5.7
23	Unilever U.S. Inc.	160,000,000	2,124,000,000	7.5
37	Colgate-Palmolive Co. ...	122,500,000	4,494,000,000	2.7
60	Clorox Co..............	72,590,000	565,400,000	12.8
90	S. C. Johnson & Son	40,204,000	650,000,000	6.2

Soft Drinks

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
11	PepsiCo Inc............	212,000,000	5,090,567,000	4.2
18	Coca-Cola Co.	169,271,000	4,961,400,000	3.4

Telephone Service Equipment

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
9	American Telephone & Telegraph..........	219,756,300	45,408,078,000	0.4
32	International Telephone & Telegraph..........	132,400,000	17,197,423,000	0.8

Tobacco

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
5	Philip Morris Inc.........	291,201,500	8,302,892,000	3.5
7	R. J. Reynolds Industries	258,115,100	8,935,200,000	2.9
41	B.A.T. Industries Ltd.	116,396,600	1,440,000,000	8.1
56	American Brands	83,549,200	5,845,985,000	1.4
71	Liggett Group	59,000,000	1,055,487,000	5.6

Toiletries, Cosmetics

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
8	Warner-Lambert Co......	220,242,500	3,217,208,000	6.8
12	Bristol-Myers Co.	210,600,000	2,752,777,000	7.7
13	American Home Products Corp.	206,000,000	3,649,476,000	5.6
35	Gillette Co.	126,960,200	1,984,722,000	6.4
44	Chesebrough-Pond's	107,342,000	1,174,274,000	9.1
82	Beecham Group Ltd......	46,704,500	2,300,000,000	2.0
89	Noxell Corp.	40,216,285	179,700,000	22.2

Wine, Beer and Liquor

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
19	Seagram Co. Ltd.	168,000,000	2,554,096,000	6.6
22	Anheuser-Busch	160,524,000	3,263,744,000	4.9
26	Heublein Inc............	155,000,000	1,769,074,000	8.8
62	Jos. Schlitz Brewing Co...	71,551,000	894,156,000	8.0
79	Brown-Forman Distillers ..	50,000,000	675,823,000	7.4

Miscellaneous

AD RANK	COMPANY	ADVERTISING	SALES	ADV. AS % OF SALES
15	Gulf + Western Industries	191,500,000	6,507,000,000	2.9
20	Mobil Corp.............	165,840,600	48,241,000,000	0.3
25	Johnson & Johnson	157,700,000	2,372,128,000	6.6
28	U.S. Government	146,121,273	—	—
30	Loews Corp.	144,468,300	4,065,475,000	3.6
67	Mattel Inc.............	66,000,000	805,064,000	8.2
73	American Express Co. ...	55,431,800	4,666,500,000	1.2
76	Greyhound Corp.	53,800,000	4,708,594,000	1.1
92	Levi Strauss & Co.	38,563,200	2,103,109,000	1.8
94	Scott Paper Co.	36,834,000	1,908,107,000	1.9
98	Milton Bradley Co.	31,328,000	360,059,605	-
99	International Business Machines............	31,073,800	22,862,776,000	0.1

MARKETING PROFILES

company's efforts to the most promising product areas.

Consumer products reported $444,000,000 in worldwide sales, up 14%, while operating earnings were 5% below 1978, at $29,000,000. Consumer products contributed 9% of Cyanamid's total operating earnings last year, a 1% decrease. It has eight major brands in the fragrance, haircare and liquid household cleaner fields. Breck shampoos and conditioners continued to lose market share in the U.S., but sales of all the other major brands increased last year.

Cyanamid's market leader in men's toiletries is Old Spice, while Nina Ricci's L'Air du Temps is the top-selling French fragrance in the U.S.

While each of Cyanamid's divisions—Formica, agriculture, medical, specialty chemicals and consumer products—posted higher sales than last year, only agriculture and medicine recorded higher earnings. Cyanamid cited escalating costs of material and energy and, in the case of the Formica division, the nation's depressed economy, as causes for the reduced profit margins.

- The Formica division posted sales of $431,000,000, an increase of 9% over 1978. Operating earnings, however, were $26,000,000, off 19%.

Agriculture division sales rose 19% to $725,000,000. Operating earnings, spurred by increased demand for animal feed and health products, jumped 58%. Sales in agriculture accounted for 23% of the company's total sales and 39% of the total operational earnings.

Feed supplements containing antibiotics or dewormers showed strong sales. Sales of pesticides, including Malathion, and herbicides, including Prowl and Avenge, also posted strong sales in 1979.

Sales in the medical division rose by 12% over '78 to $627,000,000, while operation earnings advanced 3%. Increased promotion for over-the-counter products, especially vitamins, and research costs cut into the medical division's operating earnings, Cyanamid reported.

Cyanamid's Dexon synthetic absorbable suture led the gains in sales, with Minocin, an antibiotic, and Lederle's Orimune vaccine, the most widely used polio vaccine in the U.S., recording strong sales as well. Dexon S, a new, reportedly smoother suture is bolstering sales, also.

- Sales of specialty chemicals increased 17% to $960,000,000, but operating earnings dropped 30%. Throughout the year energy and raw material costs increased significantly while selling prices rose slowly. Plastics additives, mining, paper and water treating chemicals, and, most significantly, structural adhesives used in airplane construction were responsible for the increase in sales.

Measured media spending at Cyanamid last year totaled $45,116,200, a 20% increase over 1978's expenditure of $37,559,800. The Breck haircare products line was the most heavily backed group.

Cyanamid did not come up with a new strategy for Breck shampoos and conditioners, a line troubled by strong competition.

Measured media backing for the Breck Gold formula shampoo was cut by more than half to $2,000,000, but the entire Breck line received a total of $10,200,000, an increase of 37% over 1978.

- Miss Breck hair spray, the leader in its market, received the most measured media backing of any Breck product, $4,000,000, a 4% increase. Breck shampoo received $3,500,000 in backing, with $2,350,000 going to network tv.

[redacted]

The Old Spice line received $8,175,000, 1% less than in the previous year. Old Spice cologne for men got $4,325,000 in measured media support, all of which went to network and spot tv. Old Spice stick deodorant received $3,500,000 in backing and increased its market share.

Pierre Cardin, Cyanamid's men's prestige fragrance, is second in its market and is vying for leadership. Almost all its ad support went into network and spot tv.

Cyanamid added two lines—both toiletries—to the consumer products division in 1980. Both products, Grey Flannel and Red, are marketed under the name of Geoffrey Beene, the American designer.

- L'Air du Temps, by Nina Ricci, is the best selling French perfume sold in U.S. department stores. It had $2,175,000 in measured media support, $500,000 going to magazines and the remainder to network tv.

Cie perfume, which has $3,500,000 in measured backing, sustained the success it achieved when launched in 1978.

The single most heavily advertised product in the consumer product division was Pine-Sol cleaner with almost $6,000,000, a 19% increase over the previous year. Although Pine-Sol still holds the largest share in its market, the market is becoming more competitive, with the national rollout of MortonNorwich's Pine Power.

Nearly 86% of Cyanamid's measured media spending was in support of consumer goods.

The most heavily supported product outside the consumer product division was Stresstabs 600 vitamins, with backing of $4,700,000, 71% more than it had in '78. Lederle Labs also got strong support for Centrum vitamin and mineral tablets. Centrum, a year-old product, received nearly $3,500,000 in ad support. Both products will receive expanded sales promotions and advertising campaigns in the future, according to Cyanamid.

- A new campaign was developed by Fahlgren & Ferriss, Cincinnati, in support of Formica in 1979. While Formica sales have been steady for three years, profits have been slipping. To revitalize this division, Cyanamid disposed of its melamine component panels to focus Formica's resources on the decorative laminate field. The Fahlgren & Ferriss campaign focused on Formica surfaces and presented them in different contexts. The ads, "What's new, what's next," run in remodeling, architectural and interior design magazines.

Cyanamid's Formica trademark seems safe since the FTC's move to strip the trademark on the grounds that it has become a generic term has been stalled in the House.

A 52-day strike last December and January ended when Cyanamid agreed to the improved safety and health standards sought by workers in the Bound Brook, N.J., plant.

In February, 1979, Cyanamid's pesticide department switched agencies, from Jim Rose & Associates to Tucker Wayne. It moved Lemon Sol, then in test, from Bozell & Jacobs to Ted Bates & Co. in May, 1979. Earlier this year, the Old Spice line moved from MCA Advertising to Dancer Fitzgerald Sample and, in part, from Norman, Craig & Kummel to Bates.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	**$106,700**	**$284,400**
Magazines	**7,187,000**	**6,962,300**
Farm publications	**3,757,700**	**3,736,200**
Spot tv	**11,317,000**	**7,551,000**
Network tv	**22,604,700**	**18,081,200**
Spot radio	**128,900**	**920,200**
Outdoor	**14,200**	**24,500**
Total measured	**45,116,200**	**37,559,800**
Unmeasured	**81,883,800**	**77,440,200**
Estimated total	**127,000,000**	**115,000,000**

100 Leaders' Media Expenditures Compared in 1979

In measured media only, grouped by industries; ad dollars in thousands

% of Total Dollars

Airlines

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
60	Trans World Corp.	$46,189.9	23.9	5.1	—	55.6	7.8	6.1	1.2	0.3
70	UAL Inc.									
84	Delta Air Lines	30,041.8	60.3	4.6	—	10.7	0.3	19.8	—	4.3
88	American Airlines	29,341.4	43.9	7.0	—	32.0	3.9	12.1	—	1.1
90	Eastern Air Lines	29,213.9	43.0	14.6	—	18.5	4.1	13.5	—	6.3

Appliances, Tv, Radio

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
33	RCA Corp.	74,593.2	30.4	29.2	—	8.5	29.4	1.2	0.7	0.6
39	General Electric Co.	66,282.5	13.7	30.8	—	15.3	37.5	1.3	1.3	0.1
93	North American Philips	28,240.9	5.7	10.5	1.1	30.3	52.3	—	—	0.1

Automobiles

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
3	General Motors Corp.	323,395.9	21.6	20.9	0.7	8.8	36.3	7.7	2.6	1.4
6	Ford Motor Co.	210,081.1	15.4	14.6	1.2	14.7	46.2	5.8	0.9	1.0
11	Chrysler Corp.	145,692.4	15.6	9.5	—	9.6	47.8	15.0	1.5	1.0
35	Toyota Motor Co.	70,756.2	12.0	13.9	—	36.1	29.8	5.1	0.9	2.2
49	Nissan Motor Co.	55,682.9	15.0	14.5	—	22.0	37.2	10.2	—	1.1
62	Volkswagen of America	45,842.1	5.0	29.0	—	20.5	44.7	0.1	—	0.7
63	American Motors Corp.	45,748.8	12.2	11.8	—	37.7	37.7	0.2	—	0.4
95	American Honda Motor Co.	27,011.7	6.7	33.4	0.6	3.2	50.5	0.8	—	4.8
100	Mazda Motor Co.	25,865.6	—	19.2	—	22.4	57.9	0.2	—	0.3

Chemicals

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
64	American Cyanamid Co.	45,116.2	0.2	15.9	8.3	25.1	50.1	0.3	—	0.1
73	Du Pont	37,771.7	0.8	44.0	5.5	7.2	41.7	0.7	—	0.1
85	Union Carbide Corp.	29,892.9	8.0	3.2	6.8	5.6	75.0	1.3	—	0.1

Communications, Entertainment

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
32	Time Inc.	79,042.6	7.9	34.5	—	48.4	6.6	0.8	1.7	0.1
38	CBS Inc.	66,344.1	20.6	43.1	—	20.1	7.2	1.0	6.8	1.2
78	ABC Co.	33,329.4	32.7	48.5	—	12.7	—	1.0	2.1	3.0
81	Warner Communications	32,098.4	1.6	6.6	—	40.5	46.4	3.0	0.5	1.4
86	MCA Inc.	29,659.3	24.1	5.2	—	45.1	23.1	0.1	1.0	1.4
92	Transamerica Corp.	28,789.9	4.0	6.2	—	31.1	55.6	0.8	1.7	0.6

Drugs

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
27	Sterling Drug Co.	87,752.6	1.4	12.7	0.3	6.1	72.7	2.1	4.6	0.1
43	Schering-Plough Corp.	60,723.0	0.2	17.7	0.4	13.8	55.8	—	9.0	3.1
46	Richardson-Merrell	57,238.6	0.6	5.8	—	20.4	68.4	3.0	1.8	—
58	Miles Laboratories	47,038.9	0.1	6.3	3.2	11.9	71.5	0.7	3.2	3.1
76	Squibb Corp.	36,577.9	0.6	7.6	—	23.1	53.2	4.5	10.9	0.1
80	SmithKline Corp.	32,422.9	0.1	18.6	2.2	12.0	50.4	0.4	16.3	—
82	A. M. Robins Co.	31,205.5	0.1	4.5	—	93.9	1.4	—	—	0.1
94	Pfizer Inc.	27,331.2	1.3	32.2	4.2	7.4	53.0	0.1	1.7	0.1

Food

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
2	General Foods Corp.	359,526.1	2.7	11.5	—	26.0	56.5	1.8	1.4	0.1
8	General Mills	179,646.5	2.5	8.3	—	39.7	47.6	1.5	0.3	0.1
12	McDonald's Corp.	142,568.9	—	1.2	—	52.8	43.8	0.5	—	1.7
20	Ralston Purina Co.	104,848.7	1.6	10.3	0.4	18.8	65.9	2.6	0.3	0.1
22	Pillsbury Co.	102,709.6	1.7	5.9	—	38.6	52.0	1.2	—	0.6
26	Kraft Inc.	95,153.6	5.7	22.5	—	29.5	38.1	2.1	1.0	1.1
29	Kellogg Co.	86,958.5	5.6	3.7	—	24.9	63.8	1.9	—	0.1
30	Nestle Enterprises	85,440.5	5.7	10.1	—	34.0	48.6	0.5	1.0	0.1
34	Nabisco Inc.	72,861.3	2.1	9.3	—	19.0	68.6	0.8	0.2	—
37	Consolidated Foods	67,141.4	4.6	12.4	—	27.7	53.1	0.6	1.4	0.2
40	Norton Simon Inc.	64,685.0	11.0	22.8	—	28.0	33.3	1.1	—	3.8
41	Quaker Oats	60,947.8	2.3	16.4	—	20.9	59.1	0.4	0.8	0.1
42	Esmark Inc.	60,932.8	2.9	6.4	—	23.7	66.3	0.1	0.5	0.1
61	MortonNorwich	45,952.5	3.9	9.6	—	16.0	63.2	0.2	7.0	0.1
66	Campbell Soup Co.	43,005.5	7.8	14.8	—	20.6	49.0	2.5	4.8	0.5
67	H. J. Heinz Co.	41,252.3	6.8	7.8	—	23.3	61.9	0.1	—	0.1
68	CPC International	39,960.9	1.1	10.6	—	38.9	48.2	—	—	1.2
83	Beatrice Foods Co.	31,179.1	8.9	15.5	2.8	47.7	17.9	6.6	0.5	0.1
96	Borden Inc.	26,258.6	4.3	17.1	1.0	29.3	41.8	0.9	5.1	0.5
99	Standard Brands	26,039.9	6.4	21.5	—	32.4	27.1	11.7	0.2	0.7

Gum, Candy

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
50	Mars Inc.	55,618.5	4.3	3.5	—	44.3	47.8	—	—	0.1
51	Wm. Wrigley Jr. Co.	55,555.4	1.6	0.8	—	46.9	44.7	3.4	2.6	—

Photographic Equipment

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
47	Eastman Kodak Co.	$56,997.5	3.6	25.5	—	6.0	59.8	0.3	3.4	1.4
72	Polaroid Corp.	38,120.3	6.5	14.8	—	7.6	71.0	0.1	—	—

Retail Chains

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
21	Sears, Roebuck & Co.	102,713.8	—	13.5	—	16.6	64.2	0.3	5.3	0.1
59	J. C. Penney Co.	46,874.0	—	15.9	—	36.1	45.6	0.3	1.8	0.3
74	K mart Corp.	37,095.1	—	13.9	—	43.9	21.8	15.5	4.8	0.1

Soaps, Cleansers (and Allied)

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
1	Procter & Gamble Co.	516,508.2	1.9	7.8	—	33.6	56.1	0.5	—	0.1
15	Unilever	129,448.6	1.2	11.8	—	31.1	55.4	0.3	—	0.2
24	Colgate-Palmolive Co.	96,123.0	2.3	9.4	—	28.8	55.1	3.7	0.6	0.1
57	Clorox Co.	47,149.8	0.2	10.1	—	5.7	84.0	—	—	—
79	S. C. Johnson & Son	32,704.0	5.1	22.9	—	12.7	56.6	0.9	1.0	0.8

Soft Drinks

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
13	PepsiCo Inc.	139,386.9	1.4	1.6	—	41.0	51.8	3.5	—	0.7
17	Coca-Cola Co.	122,911.6	3.8	3.1	—	38.0	47.6	5.0	—	2.5

Telephone Service, Equipment

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
10	American Telephone & Telegraph Co.	154,306.3	9.7	16.4	—	27.3	35.6	6.0	4.5	0.5
45	International Telephone & Telegraph Corp.	58,681.5	4.4	12.2	—	53.5	27.0	1.7	0.3	0.9

Tobacco

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
4	Philip Morris Inc.	259,201.5	23.0	25.0	—	6.5	33.4	1.8	—	10.3
5	R. J. Reynolds Industries	254,312.1	34.6	45.2	0.1	2.7	6.0	1.0	—	10.4
23	B.A.T. Industries	93,396.6	25.7	36.7	—	6.0	—	0.2	—	31.4
36	American Brands	67,844.2	31.1	46.3	—	2.2	4.9	0.1	0.2	15.2
56	Liggett Group	51,355.2	17.3	42.0	—	7.2	19.9	3.9	1.6	8.1

Toiletries, Cosmetics

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
7	American Home Products Corp.	187,358.3	1.3	5.5	0.2	22.7	65.4	2.2	2.7	—
9	Bristol-Myers Co.	164,590.5	1.4	12.1	0.1	14.4	71.1	0.6	0.3	—
25	Warner-Lambert Co.	95,442.5	1.8	5.6	—	20.8	66.7	0.5	4.5	0.1
31	Gillette Co.	81,960.2	1.3	14.9	—	19.4	64.3	—	—	0.1
44	Revlon Inc.	59,303.2	0.3	17.9	—	32.2	45.2	2.1	2.2	0.1
52	Chesebrough-Pond's	55,514.6	3.7	19.9	—	13.1	58.5	0.6	4.2	—
65	Beecham Group	44,847.5	0.7	6.2	0.8	14.2	77.0	1.1	—	—
69	Noxell Corp.	39,120.9	0.2	24.6	—	10.5	63.2	1.5	—	—

Wine, Beer, Liquor

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
14	Seagram Co.	130,228.4	12.9	65.2	—	4.7	11.0	0.1	—	6.1
18	Anheuser-Busch	112,768.7	2.0	6.2	—	14.0	55.9	17.4	3.0	1.5
28	Heublein Inc.	87,585.7	3.5	17.0	—	23.7	40.0	5.0	0.7	10.1
53	Jos. Schlitz Brewing Co.	54,110.1	2.7	1.7	—	28.2	58.1	8.0	—	1.3
89	Brown-Forman Distillers	29,315.7	11.2	44.4	—	8.7	19.3	—	—	16.4

Miscellaneous

RANK	COMPANY	TOTAL	News-papers	Genl Mags.	Farm Pub.	Spot TV	Net TV	Spot Radio	Net Radio	Out-door
16	Loews Corp.	122,968.3	43.6	29.1	—	2.2	4.5	0.4	—	20.2
19	Johnson & Johnson	107,396.6	2.5	14.8	0.2	4.3	78.0	0.1	—	0.1
48	Mobil Corp.	56,739.5	10.2	7.0	3.5	65.1	10.1	3.8	—	0.3
54	Gulf + Western Industries	53,017.6	4.6	15.0	—	38.0	37.3	2.0	0.9	2.2
55	U.S. Government	51,515.0	5.8	36.5	—	4.4	33.3	13.3	5.3	1.4
71	American Express Co.	38,231.8	6.7	16.3	—	26.6	48.9	1.4	—	0.1
75	Greyhound Corp.	36,982.3	7.0	12.8	—	14.8	54.7	2.3	8.4	—
77	Mattel Inc.	34,652.8	1.3	4.8	—	56.9	36.5	—	—	0.5
87	Levi Strauss & Co.	29,480.6	0.1	9.8	—	19.1	58.8	12.1	—	0.1
91	Scott Paper Co.	28,799.4	7.8	6.7	—	57.2	27.0	1.2	—	0.1
97	Milton Bradley Co.	26,644.1	—	3.1	—	94.0	2.9	—	—	—
98	International Business Machines	26,073.8	6.6	18.9	—	3.4	68.0	—	3.0	0.1

MARKETING PROFILES

AGRICULTURAL DIVISION

MARKETING PERSONNEL

T.J. Raser, adv mgr-pesticides
W.J. Reynolds, adv mgr-animal industry

ADVERTISING AGENCIES

Bergelt Advertising, New York—poultry food products, feed additives—E.C. Bergelt, acct super.

Tucker Wayne, Atlanta—Counter, Avenge, Prowl, Thimet—Robert Schaeffer, mgmt super; William Dickson, acct super; Dutch Versteegh, John Freebairn, acct execs.

Richardson, Myers & Donofrio, Baltimore—animal industry products—Cy Halada, acct super.

CONSUMER PRODUCTS SHULTON INC. TOILETRIES DIVISION

MARKETING PERSONNEL

S.G. Rothschild, vp-mktg
J.J. Johnson, mgr, new prods
G.J. Kahn, group product mgr, lotion, cologne
K.M. Freeman, group product mgr, hair prods
V.H. Sandham, group product mgr, antiperspirants, deodorants
L.J. Lent, director, mktg services
J.B. Gibbs, director, adv services

HOUSEHOLD PRODUCTS DIVISION

MARKETING PERSONNEL

R.G. Bryan, vp-marketing
T.G. Piazza, vp-sales
G.J. Kuodis, group product mgr
D.A. Tavasevich, group product mgr
M.T. Pursell, senior product mgr
R.R. Austell, product mgr
J.B. Gibbs, director, adv services

JACQUELINE COCHRAN INC. DIVISION

MARKETING PERSONNEL

A. Rowland, senior vp-mktg
F. Robinson, vp, mktg director, Ricci prods
M.J. Elger, vp, brand group—Beane, Cardin & Carver prods
M. McOuliffe, mktg director, new prods
M.J. Lombardi, director, mktg, sales service

ADVERTISING AGENCIES

Ted Bates & Co., New York—Breck prods & Lemon Sol—Sheila Paterson, acct director; Ellen Feldberg, acct exec.

BBDO, New York—Pine-Sol, Bowl Guard, new prods—Lonnie Strum, acct super; Pamela Selby, Alex Carlin, acct execs. David Park, asst acct exec.

Dancer Fitzgerald Sample, New York—Old Spice deodorant, Ladies Choice deodorant, Cie, Blue Stratos—Barbara Gyde, Michael Leahy, acct supers; Gay Clark, mgmt super; Barbara Bergsen, acct exec.

Sacks & Rosen, New York—Ricci, Cardin, Carven—Leonard Sacks, Michael Rosen, mgmt supers; Ron Brello, creative director.

FIBERS DIVISION

MARKETING PERSONNEL

W. DeMartine, mktg mgr-acrylic fibers
Jeanne Budde, mktg communications mgr

ADVERTISING AGENCY

Grey/Conahay & Lyon, New York—Creslan—Jim Lewis, acct exec.

FORMICA CORP.

MARKETING PERSONNEL

James Plumpton, vp-mktg

W.H. Durmer, mktg director
E.C. Collier, mgr, adv, promo
J.P. Alexander, mgr-mktg communications

ADVERTISING AGENCY

Fahlgren & Ferris, Cincinnati—Neil Hamlin, acct super; Jackie Cassidy, acct exec.

SHULTON INC., INTERNATIONAL DIVISION

MARKETING PERSONNEL

Richard Eggers, vp-mktg Americas/Far East
S.F. Rohr, vp-mktg Europe, Africa, Middle East, Canada
Roland Bigue, mktg services

INDUSTRIAL CHEMICALS DIVISION

MARKETING PERSONNEL

M.R. [illegible], adv/sales promo mgr

ADVERTISING AGENCIES

Hazard, Barbetta & Miller, Fairfield, N.J.—Tom Brogan, acct exec.

Wildrick & Miller, New York—Donald Wildrick, president.

LEDERLE LABORATORIES

MARKETING PERSONNEL

Pharmaceutical Department

R.F. Saydale, mgr-Lederle Pharmaceuticals dept.
David Bethune, director, product mgmt
R.M. Lynch, director, mktg, proprietary prods

Davis & Geck Department

T.R. Lind, genl mgr
D.P. Pfarr, mktg communications director

ADVERTISING AGENCIES

Carrafiello, Diehl & Associates, Irving-on-Hudson, N.Y.—T. Sweeney, acct exec.

Klemtner Advertising, New York—Gavin Scotti, acct super.

Rolf Werner Rosenthal, New York—Herb Messinger, mgmt acct super; Rob Recobs, acct super.

Dugan/Farley Communications, Montvale, N.J.—John Farley, acct super.

ORGANIC CHEMICALS DIVISION

MARKETING PERSONNEL

C.W. Kohlman, adv mgr

ADVERTISING CORRESPONDENT

R.E. Howe, mktg mgr

CYANAMID EUROPE/MID-EAST/-AFRICA and CYANAMID AMERICAS/-FAR EAST DIVISIONS

MARKETING PERSONNEL

K.F. Stone, director-mktg rsch, medical prods, CEMA
W.T. Casey, mgr mktg services chemicals, CEMA
B.I. Andrews, mgr mktg animal products, CEMA
R.P. Rich, mgr mktg, pesticides, CEMA
R.R. Miller, mgr mktg, Formica brand products, Europe
K.M. Sethna, director, mktg planning, medical, CAFE
L.A. Van Campen, mktg mgr services, chemicals, CAFE
I. Caplon, director of plant prods, CAFE
C.J. Dumbrell, director, animal prods, CAFE
J.E. Murray, director, Formica brand prods, CAFE

ADVERTISING AGENCIES

Carrafiello, Diehl & Associates, New York—Robert Brent, acct super.

Klemtner Advertising, New York—pharmaceuticals, surgical sutures—Gavin Scotti, vp-acct super; James Carlson, acct exec.

Landi-Handler, New York—pharmaceuticals—Murray Handler, president.

Naimark & Barba, New York—pharmaceuticals, G. Naimark, president.

Rolf Werner Rosenthal, New York—pharmaceuticals—Robert Reocbs, acct super.

PLANT FOOD DIVISION

MARKETING PERSONNEL

C.P. Schafer, mktg mgr

American Express Co.

	1979	1978
Sales	$4,666,500,000	$4,073,600,000*
Earnings	345,300,000	314,000,000*
Advertising*	55,431,800	62,000,000

*Estimated by AA

American Express Co., New York, the 73rd largest national advertiser, reduced advertising expenditures in the U.S. last year by 11%, down to $55,431,800.

The company reported a world ad total of $139,500,000, up 10% over 1978 spending.

Revenues increased 14% to $4.6 billion; earnings rose 10% to $345,300,000. Revenue breakdown: Travel-related services, $1.24 billion, up 24.7%; international banking services, $706,100,000, up 37%; insurance services, $2.72 billion, up 6.4%, and other services, $3,000,000, down 71.8%.

Charge volume rose 29% in 1979 and worldwide card membership was 10,500,000 at year-end, a 10% increase over 1978. About 68,000 service establishments honoring the card were added worldwide in 1979.

American Express continues its attempts at diversification, having successfully negotiated a 50% share of Warner Cable Co., now called Warner Amex Cable Communications, at a cost of $175,000,000. (Within the last several years, the company has failed in attempts to acquire Book-of-the-Month, Walt Disney Productions, Philadelphia Life Insurance and McGraw-Hill.)

Warner Amex currently is the fourth largest cable tv operation in the nation, with 675,000 subscribers in 29 states. It boasts the only major interactive cable system, Qube, which is in the process of expanding into the Houston, Pittsburgh and Cincinnati markets. It has been operating in the Columbus, O., area for two years.

In the course of acquiring that 50% interest in the pay tv operation, AmEx lost two directors, former Pennsylvania Gov. William Scranton and Henry Henley, who owned stock in tv stations serving 10 of the 120 communities covered by Warner Cable.

Among the five major credit cards, American Express ranks third, behind the two bank cards (Visa and Master-Card) and ahead of Diners Club and Carte Blanche. Of the three travel and entertainment cards, American Express is the longtime leader, with about 8,300,000 cardholders representing about half the U.S. families with $25,000-plus annual income. Last year, worldwide card membership has topped 10,500,000, a 10% increase over 1978. About 68,000 service establishments were added in 1979, raising the total to 389,000. With one of every five cardholders residing outside the U.S., there now are 22 currency cards.

The Gold Card, which offers a credit line with a financial institution and a higher check-cashing limit than the better known Green Card, crossed the 1,000,000 mark in cardholders last year and posted a 40% increase in charge volume. In July, 1979, McCann-Erickson, New York, was chosen to assume initial responsibility for the Gold Card advertising. This year, the division plans to introduce the first extensive advertising campaign designed specifically for the Gold Card, which now is offered by 1,559 financial institutions worldwide.

Of the $35,159,300 spent on measured media last year, American Express put $21,176,800 into advertising its credit card service. Ad expenditures for card service were split between network tv ($8,930,400), spot tv ($7,016,800) and magazines ($5,202,600), with an additional $27,000 spent on outdoor.

American Express reportedly retains about 60% of the world market in travelers checks. With a "healthy gain" for its "travelers checques" during the year, average outstandings reportedly reached a record high of more than $2.3 billion, an 11% increase over 1978. The company's travel service, which operated at a loss in 1979, maintains a retail network of company-owned and representative offices in 126 nations. The company credits the loss to an increased proportion of low margin, discount air ticket sales and increased operating costs of processing the relatively higher number of transactions. Although wholesale activities were inhibited by the lower than expected number of Americans taking European tours, this decline was partially offset by increases in the volume of travelers visiting the U.S. The "Visit U.S.A." program nearly doubled the 1978 record volume of tourists.

- Travelers cheques ranked second in ad expenditures with $9,242,600 spent on measured media. Most of the money was used to buy tv time, with $6,229,900 spent on network tv and $2,849,400 spent on spot tv.

American Express also has concluded negotiations with three leading French banks to issue French franc travelers cheques through *Societe Francaise du Cheque de Voyage*, which is jointly owned with four major French banks.

In January, the company created a communications division composed of its publishing company direct response and merchandise sales, which previously was part of the card division. In 1979, advertising revenue for the company's *Travel & Leisure* magazine increased 34%. The direct response division reflects the April, 1979, purchase of Vernitron Corp.'s OEI division, a supplier of direct mail marketing services to businesses in the U.S., Canada and U.K. Internally, the division's sales and servicing programs are used by the travel-related services to communicate with existing and potential customers.

AmEx' Fireman's Fund Insurance Cos., the eighth largest property-liability group in the nation, reported net income of $185,600,000 in 1979, a 14% increase over the previous year. Fireman's Fund has been appointed the exclusive affiliate for the U.S. and Canada of the International Network of Insurance, an alliance of European insurers that provides insurance service for its international industrial and commercial customers.

The company spent $2,411,500 on network tv for Fireman's Fund American Business Insurance and another $1,109,200 advertising Fireman's Fund American Insurance, mainly on network tv ($1,103,300).

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$2,551,800	$2,527,100
Magazines	6,252,400	5,456,400
Spot tv	10,191,900	8,231,000
Network tv	18,675,100	22,884,800
Spot radio	533,600	1,989,600
Network radio	—	417,200
Outdoor	27,000	24,600
Total measured	38,231,800	41,530,700
Unmeasured	17,200,000	20,469,300
Estimated total	55,431,800	62,000,000

MARKETING PERSONNEL

Card Division

Thomas K. Myers, exec vp-mktg
Richard D. Rosenbloom, vp-adv & promo
Jonathan S. Linen, senior vp-service establishment mktg & sales
Joanne Black, senior vp-service establishment industry mktg & adv
Pierce Butler vp-service establishment industry mkt & adv

Travel Division

Suzan K. Couch, vp-adv & promo

Travelers Cheque Division

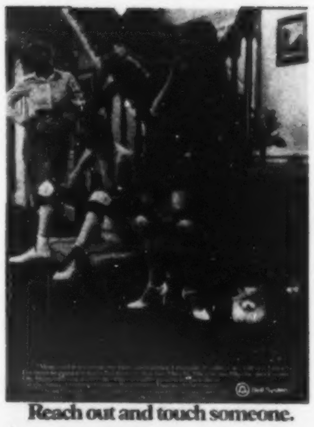
James T. Larkin, exec vp-mktg & sales
Edward J. O'Hare, senior vp-U.S. mktg & sales
William A. Semmes, vp-mktg services
Daniel V. DeMaio, director, adv

ADVERTISING AGENCIES

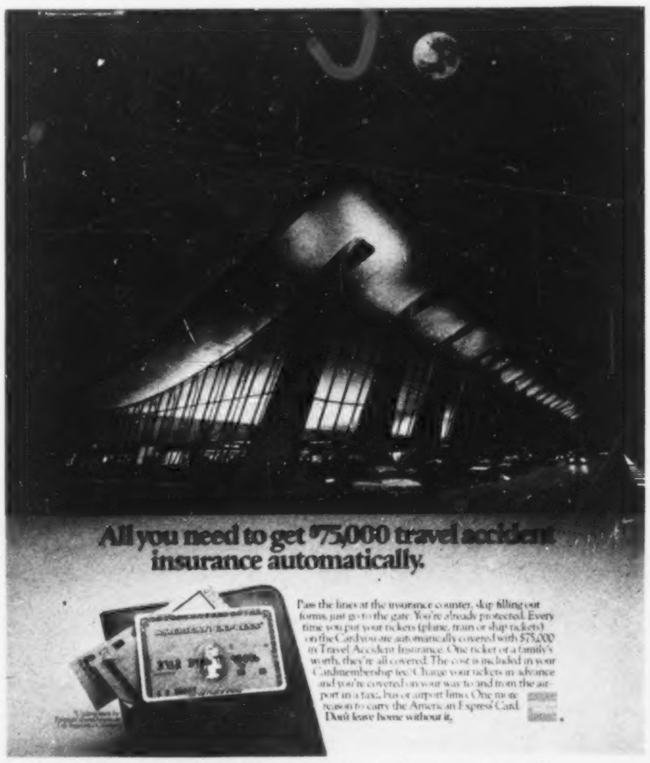
Ogilvy & Mather, New York—card, travel, international banking, travelers cheque services—Kenneth Roman, president; John Heston, Robert White, Brendan Ryan, Paul Kurnit, mgmt supers.

Cunningham & Walsh, San Francisco—Fireman's Fund—Emory Winship, acct exec.

McCann-Erickson, New York—Gold Bank Card—Ian Hooper, acct exec.


Reach out and touch someone.

The largest share of Bell System's ad spending in 1979 went to long distance lines.


All you need to get $75,000 travel accident insurance automatically.

Pass the lines at the insurance counter, skip filling out forms, just go to the gate. You're already protected. Every time you put your tickets (plane, train or ship tickets) on the Card you are automatically covered with $75,000 in Travel Accident Insurance. One ticket or a family's worth, they're all covered. The cost is included in your Cardmembership fee. Charge your tickets in advance and you're covered on your way to and from the airport in a taxi, bus or airport limo. One more reason to carry the American Express Card. Don't leave home without it.

American Express advertises an insurance benefit.

American Home Products Corp.

	1979	1978
Sales	$3,649,476,000	$3,276,605,000
Earnings*	369,039,000	348,422,000
Advertising**	206,000,000	183,000,000

*Worldwide
**U.S. only; AA estimate

American Home Products, the nation's 13th largest advertiser, increased its U.S. advertising by 12% in 1979 to an estimated $206,000,000. The gain was well above the 7% pace of 1978, and allowed the company to top the $200,000,000 advertising mark for the first time.

Last year was also AHP's 27th consecutive year for record sales and earnings. Net income of $396,039,000 was realized on total worldwide sales of $3,649 billion.

Foreign sales were $1,246 billion, a 16% increase over 1978, and 33% of the total volume. Foreign net income before taxes was $220,000,000, compared with $196,000,000 in 1978. Domestic sales totaled $2,403 billion; earnings before taxes, $492,900,000.

Prescription drugs contributed $1,448 billion (40%) of total sales and $426,200,000 (56%) of pretax income, which totaled $755,200,000. Household products and housewares provided $986,900,000 (27%) of total sales and $107,100,000 (14%) of pretax income.

Food products contributed $728,600,000 (20%) of total sales and $77,500,000 (10%) of pretax income. Package medicines provided $485,700,000 (13%) of total sales, and $102,300,000 (14%) of pretax income

- In foreign sales, prescription and package medicines accounted for approximately 66% of the volume; the remaining 34% consisted of foods, housewares and household products.

Domestic measured media expenditures for 1979 were $187,358,300, a 12% gain over 1978's $166,758,900. Packaged medicines received 60% of this support, $111,895,100.

Home products and housewares received $45,426,100 or 24% of the total, while food products were backed by $23,462,300 and prescription drugs by $6,975,400. Ad expenditures were up in all categories except for home products and housewares, where there was a less than 1% decline.

- Domestic ad spending continued to favor network and spot tv, as AHP made a record-breaking, two-season $100,000,000 buy on NBC-TV. At the time it was made, the buy was aimed, in part, at ensuring a good commercial position during the 1980 Olympics and elections.

Network television received $122,565,500, a 10% increase over 1978. Spot tv also jumped 10% to $42,465,800, while network radio was up a whopping 60% to $5,056,800. Spot radio was allotted $4,132,400, 7% over 1978.

Magazines were sharply up to $10,266,000, a 33% increase; newspapers gained 21% to $2,507,100. Farm publications grew nearly three times to $364,700.

In the package medicines group, spending was dominated by Whitehall Laboratories, with measured spending of $111,849,100, up $14,152,300 or 14% over last year. The division posted record sales as established products maintained leading positions in many categories.

- Anacin analgesic tablets received the greatest chunk of Whitehall's measured ad support of $39,237,800, a gain of $5,331,300 or 16% over 1978. This was primarily allotted to network tv, as well as to some spot tv, network radio and magazine support.

Anacin fought to hold a 12% share of the $750,000,000 analgesic market. Topped by Johnson & Johnson's McNeil Laboratories' Tylenol, whose share was 26%, Anacin led Sterling Drug's Bayer (10%) and Bristol Myers' Bufferin and Excedrin (9% and 7%).

In 1979, Anacin and AHP were involved in regulatory and legal actions that affected advertising. A court appeal was made on the Federal Trade Commission's 1978 order calling for AHP to run $24,000,000 worth of Anacin ads with the disclosure that "Anacin is not a tension reliever."

In addition, responding to a court order prohibiting AHP from making claims about Anacin's superiority over Tylenol, the com-

MARKETING PROFILES

pany introduced "the Anacin difference" ad campaign. The new effort claims Anacin is an 800mg product compared with 650mg for other leading analgesic items.

Whitehall's second most advertised line, Dristan decongestant products, received $24,246,000. Of this figure, $14,435,000 went to Dristan tablets, $10,440,000 to network tv and $3,186,000 to spot tv.

Network tv also provided major support for other Dristan products including Dristan long lasting nasal mist, with $5,005,000 in network tv out of total measured support of $6,125,000.

Network and spot tv dominated the campaigns of other Whitehall products. Preparation H hemorrhoidal remedies: Ad spending $11,360,000, with network tv getting $6,750,000 of the total and spot tv $2,467,000.

- Primatene Mist and tablets spent $8,000,000; network tv received $6,350,000 of this. Arthritis Pain Forumla had support of $4,820,000 of which $3,630,000 was allotted to network tv.

Anbesol received $3,340,000 and $2,610,000 went to Dry & Clear acne ointment. Of this figure, $1,660,000 was budgetd to spot tv and $672,000 to network tv.

Denorex received $1,830,000 with $1,740,000 going to network tv. Of Compound W's $1,735,000, $1,110,000 went to network tv. This medium also received $1,530,000 of Sleep-Eze's $1,695,000, while spot tv was allotted $610,000 of Heet's $1,100,000 campaign.

In its first full year in the $500,000,000 U.S. contraceptive market, Whitehall's Semicid contraceptive suppository received $914,000 in ad support, almost all in magazines. Predictor, a pregnancy test kit also in its first full year, was supported with $1,410,000, of which $912,000 went to network tv.

AHP's second largest advertiser, with a budget of $45,425,000, was the household products and housewares group, including Boyle-Midway household items, Ekco Housewares, Ekco Products, Dupli-Color Products and the Prestige Group.

Boyle-Midway was supported by $43,100,000 in measured advertising expenditures, $363,000, or less than 1%, below 1978. Woolite, the division sales leader, was again the No. 1 in ad support with $12,470,000. Of this figure, Woolite liquid and powder cold water wash received $8,400,300, primarily in network and spot tv.

- Easy-Off oven and window cleaners were budgeted at $6,450,000, mostly in network tv. The Pam line of dry fry cooking sprays increased its ad expenditure 17% to $7,120,000 while Black Flag received support of $5,065,000, 26% over 1978.

Wizard air fresheners and fire starters went up to $4,280,000, a gain of 22% over 1978 expenditures. Sani-Flush toilet cleaner products were backed by $2,750,000, primarily in network tv. Old English furniture polish received support of $1,920,000.

Ekco, which posted record sales in 1979, had ad support of $2,324,600. Network tv received almost the entire amount for promotion of kitchen tools, cutlery and cookware. Ekco Slaymaker lock line's allotment of $200,000 was all in network tv.

The AHP food products group had a record budget of $23,465,000, up $6,640,000 or 28% over last year.

American Home Foods' Chef-Boy-ar-dee ad spending was up to $16,345,000, a 40% gain over 1978. Most of the outlay went to network tv. New products introduced included Chef-Boy-ar-dee Cannelloni and Chili-Mac. The latter was also marketed under the Dennison's brand name.

I just tried
again. And wow!
BRECK

American Cyanamid stuck with its "stop 'n stare" hair ad strategy for Breck shampoo in 1979.

The Brach candy division had record sales in its 75th anniversary year, boosted by special holiday and bulk candy promotions. Its budget was $3,740,000. Brach tested a high-protein candy and expanded its Candydent sugarless candy line.

As in 1978, the prescription group led the company in sales and earnings, but received the smallest measured ad budget, due to the technical nature of its market outlets and legislative restrictions.

Wyeth Laboratories worldwide pharmaceutical sales reached an all-time high, and its Ovral retained the leadership as the most frequently prescribed oral contraceptive. The year's major new product introduction was the antibiotic Cyclapen.

Account changes last year saw the Boyle-Midway division move Wizard air fresheners to Arthur Meyerhoff Associates from C.T. Clyne Co.; the food division moved Chef Boy-ar-dee frozen pizza and pizza sauce to the Clyne agency from Young & Rubicam and the sauce in jars to Cunningham & Walsh.

From Whitehall Labs, Dristan cold capsules, Sleep-Eze, Preparation H cleansing pads moved to Hicks & Greist from Kelly, Nason Inc., which also yielded InfraRub, Freezone and Semicid to Rosenfeld, Sirowitz & Lawson.

Wyeth Labs assigned Phenergran oral contraceptive and Tubex to William Douglas McAdams Inc. for Lewis & Gilman. Kornhauser & Calene, successor to the Clyne agency, retained a number of AHP's Whitehall, Boyle-Midway and Foods accounts.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$2,507,100	$2,069,000
Magazines	10,266,000	7,693,400
Farm publications	364,700	128,100
Spot tv	42,465,800	38,722,200
Network tv	122,565,500	111,136,200
Spot radio	4,132,400	3,855,000
Network radio	5,056,800	3,155,00
Total measured	187,358,300	166,758,900
Total unmeasured	18,641,700	16,241,100
Estimated total	206,000,000	183,000,000

AMERICAN HOME PRODUCTS

New York

MARKETING PERSONNEL

William F. Laporte, chairman
John W. Culligan, president
John R. Stratford, exec vp
Marvin E. Schmalzried, senior vp
George DeMott, vp
John Horsman, vp
Ernest Harper, vp

WHITEHALL LABORATORIES

New York

MARKETING PERSONNEL

Stanley F. Barshay, president
G. Prince, vp-mktg
W. Tauriello, vp-mktg
L.R. Yates, vp, new product devel
Steven Kubinski, adv director

ADVERTISING AGENCIES

Rosenfeld, Sirowitz & Lawson, New York—Bronitin, Semicid, Freezone, Infra-Rub—Mal Minor, mgmt super.

William Esty Co., New York—Anacin-3, Anbesol, Compound W, Dristan tablets, Aspirin Free Dristan tablets, Momentum, Quiet World, Viro-Med—Art Albrecht, mgmt super; Edgar Peck, Richard Burns, George Biava, acct supers.

John F. Murray Advertising, New York—Anacin, Maximum Strength Anacin, Oxipor, Preparation H, Sudden Beauty Facial, Trendar—Bill Schenkel, mgmt super; Will Waldron, Paul Norwich, acct super.

Kornhauser & Calene, New York—Arthritis Pain Formula, Denalen denture cleanser, Bisodol, Dry & Clear, Outgro, Denorex medicated shampoo, Dristan Long Lasting nasal mist & vapor spray, Heet, Neet, Predictor, Primatene—Joseph Shapiro, Stan Turk, acct directors; Ralph Hirsch, James Caldwell, Alan Yarnoff, Mac Magruder, mgmt supers.

Hicks & Greist, New York—Sleep-Eze, Preparation H pads, Dristan capsules—John Fergurson, acct super; Ken Gurin, acct exec.

FRANKLIN LABORATORIES

Denver

John D. Baker, vp-mktg

ADVERTISING AGENCY

Ad Print, Elmhurst, Ill.—Larry Josephson, mgmt super.

AMERICAN HOME FOODS

New York

MARKETING PERSONNEL

D.P. Jaicks, president
Karl Becker, vp, product mgr
W.E. Kratzke, adv director

ADVERTISING AGENCIES

Young & Rubicam, New York—Chef Boy-ar-dee, Dennison's—Matt Crisci, mgmt super; D. Spink, acct super; V. Calenda, C. Ponzio, J. Stanley, acct execs.

Cunningham & Walsh, New York—Gulden's mustard; G. Washington's seasoning and broth, Jiffy popcorn, Franklin nuts, Crunch N Munch popcorn, Luck's Food—Steve Tart, mgmt super; John Gaunt, Walter Hagstrom, acct execs.

Kornhauser & Calene, New York—Chef frozen products, Tin & Glass pizza sauces, Pizza Magic—J. Caldwell, mgmt super; R. Hirsch, acct exec.

E.J. BRACH & SONS

Chicago

MARKETING PERSONNEL

Ned E. Mitchell, president
R.B. Hecklau, senior vp, mktg & sales
Richard G. Secrist, vp-mktg
S.R. Thompson, vp-natl sales mgr
Robert C. Wells, vp-special accts & trade relations
Robert J. Urban, new product mgr

ADVERTISING AGENCY

Arthur Meyerhoff Associates, Chicago—Harry Ellsworth, acct super.

BOYLE-MIDWAY

New York

MARKETING PERSONNEL

D.G. Grummer, president
Tucker Halleran, vp-mktg
Neill Myers, Joe Palminteri, William Breakey, Ellen Schapps, group product mgrs
Ken Lagana, adv mgr

ADVERTISING AGENCIES

Cunningham & Walsh, New York—Antrol, Depend-O, Diaper Pure, HR2 rug shampoo, Snarol, Wizard charcoal lighter, Woolite, Woolite rug cleaner—Steve Tart, mgmt super.

Kornhauser & Calene, New York—Sani Flush, Griffin shoe polish, Black Flag, Easy Off—Henry Kornhauser, president; Ron Herlihy, Jack Rothenberger, acct supers.

Arthur Meyerhoff Associates, Chicago—PAM, Aero-Shave, Quick Dip, Wizard air freshener—Bob Pingrey, mgmt super.

John F. Murray Advertising, New York—Aerowax, Easy-Off window cleaner, Sani-Flush In-a-Tank—Frank Laevey, acct super; David Reeves, acct exec; Frank Stern, asst acct exec.

Hicks & Greist, New York—Noxon, Zud, 3-in-One oil, Plastic Wood, Easy On starch, Old English polishes, Golden Touch—Bill Roper, mgmt super; Ken Silvers, acct super.

DUPLI-COLOR PRODUCTS

Elk Grove Village, Ill.

MARKETING PERSONNEL

W.V. Dunlop, president
R.R. Miller, vp-sales
Fred Freiden, vp-mktg

ADVERTISING AGENCY

Jack Levy & Associates, New York—Allan Lieberman, acct exec.

EKCO HOUSEWARES CO.

Chicago

MARKETING PERSONNEL

J.K. Duncan, president
Don Jacobs, vp, mktg, sales & pr
Jack Theobold, adv mgr
Mike Sobo, mktg mgr-supermarket lines
Thomas Walton, mktg mgr-dept & hardware lines

ADVERTISING AGENCY

Albert Jay Rosenthal & Co., Chicago—Richard Emory, acct super.

EKCO PRODUCTS

Chicago

MARKETING PERSONNEL

Packaging Group

L.W. Schumm, president
Ed Heiser, vp-mktg & sales

GLACO Group

William Campion, president
J. Morris, vp-sales & mktg
Jan Schuh, adv mgr

ADVERTISING AGENCIES

Jaqua, Grand Rapids, Mich.—packaging group.

Mills, Fife & MacDonald, Des Plaines, Ill.—GLACO.

AYERST LABORATORIES

New York

MARKETING PERSONNEL

W.L. Davis, president
A. Somm, senior vp-mktg
B. Brown, vp-mktg services
G. Cerritelli, vp-sales

ADVERTISING AGENCIES

Sudler & Hennessey, New York—Antabuse, Fluothane, Gristactin, Inderal, Inderide, Phospholine Iodide, Premarin—Paul Trunk, mgmt super.

Klemtner Advertising, New York—Atromid-S, Kerodex, Riopan, Riopin Plus, Mysoline—Jack Slonoker, acct super.

WYETH LABORATORIES

Radnor, Pa.

MARKETING PERSONNEL

Richard Bogash, president
Lee J. Hymel, vp-mktg
Charles H. Brantley, asst vp-mktg, director of sales
John Spitznagle, asst vp-mktg, director of promo

ADVERTISING AGENCIES

William Douglas McAdams—New York—Ovral, Lo-Ovral, Phenergan, Tubex.

Kallir, Philips, Ross—New York—Ativan, SMA, Nursoy, Collyrium.

Sieber & McIntyre, Chicago—Cyclapen.

IVES LABORATORIES

Great Valley, Pa.

MARKETING PERSONNEL

Sidney Elston, president
Joseph Flaherty, vp-admin
Herbert Loewnkron, senior vp, mktg
Paul Flagg, adv mgr

ADVERTISING AGENCIES

Robert A. Becker Inc., New York—Cerubidine, Isordil—Raymond Perry, Nick Lorenzo, acct supers.

Lavey, Wolff & Swift, New York—Synalgos DC, Cyclospasmal, Surmontil—Henry Townsend, acct super.

FORT DODGE LABORATORIES

Fort Dodge, Ia.

MARKETING PERSONNEL

Thomas W. Freeze, president
O.W. Whitcomb, director of mktg
W.E. Ryan, director of adv

ADVERTISING AGENCY

Sander Allen Inc., Chicago—Cecil Barger, acct super.

American Honda Motor Co.

	1979	1978
Sales	$3,619,000,000	$1,639,000,000
Earnings	76,400,000	26,374,000
Advertising	44,000,000	35,000,000

American Honda Motor Co., Gardena, Cal., the 85th largest national advertiser, and the third largest auto importer in the U.S., is a wholly owned subsidiary of the Japanese-based company, Honda Motor Co. Ltd.

The U.S. unit increased its total ad spending to $44,000,000, up 26% from the $35,000,000 level it reached in 1978.

The company, which markets Honda automobiles, motorcycles and a line of consumer power products, showed a 121% sales gain in 1979, a year in which consumer demand for Civics, Accords and Preludes far exceeded available supplies. At a time of short gasoline supplies and long gasoline waiting lines, Honda was plagued with insufficient supplies of all its fuel-efficient models. Many would-be Honda buyers were forced to wait several months for delivery of Honda autos. Total unit sales in 1979 reached 353,291.

American Honda put some 50% of its $19,000,000 auto ad budget, coordinated by Needham, Harper & Steers, Los Angeles, into network tv, with some 33% in consumer and auto enthusiast magazines.

- Honda continued to use the "We make it simple" ad theme, which positions Honda cars as more dependable and simple than its small car competitors without saying so. For the newly designed Civic, Honda explained "Why it took Honda to improve the Civic" in print and tv advertising.

With the energy crisis in full force and the strong likelihood of its continuing, Honda increased the motorcycle division marketing budget with prime time network, newspaper and outdoor advertising. Honda used the advertising theme, "Follow the leader" as it tried to establish a broader customer base for its motorcycles, which still maintain a 40% U.S. market share. In June, 1979, the motorcycle division switched its $10,000,000-plus account to Dailey & Associates, Los Angeles, from Grey Advertising.

- Honda spent less than $1,000,000 in spot tv and magazine advertising to launch the high-price ($344 to $444) HR-21 lawn mower line in 1979, distributed through its lawn and garden network. In addition, Honda recently introduced a lightweight, lower-price HR-17 lawn mower. Dailey & Associates also handles the power products division.

The new lawn mower stops the blade seconds after the operator releases the mower's handle. The innovation gives Honda the jump on the rest of the industry, which must have similar blade brakes by 1982.

- Although demand for Honda automobiles continued to exceed expectations, Honda, like other Japanese importers, has cause for concern. For the first time, U.S. manufacturers are beginning to market competitive small cars, and with the weakness of the dollar over the yen, Honda autos are generally more expensive than most buyers expect. The smallest

MARKETING PROFILES

Civic models range from $4,299 to $5,199, while the more luxurious Accord and Prelude models range from $6,000 to $7,400. There have also been many instances of Honda dealer price gouging, some adding as much as $2,000 over the recommended list price.

Facing growing resentment in Congress over Japanese importers because of Japanese restrictions on U.S. goods, Honda is trying to establish itself as a "good guest" in the U.S. In early 1980, Honda announced it will become the first Japanese auto maker to open a production plant in the U.S. The company is making a $200,000,000 commitment to build an assembly plant in Marysville, O., where it already has a motorcycle assembly line. It is thought eventually the U.S. Honda plant will produce 10,000 cars a month and employ about 2,000 workers.

North America continues to be the biggest overseas market for Honda, making up 67% of its annual output.

American Honda's parent company is marketing a five-door hatchback (called Quint in Japan and Quintet in Europe) through a newly established dealer network. Indications are Quint/Quintet will not be imported to the U.S., but based on the success of Mazda's five-door GLC and Volkswagen's five-door Rabbit, Honda is said to be considering importing a five-door Civic into the U.S. The car is currently marketed in Canada.

Honda is said to be considering introducing a four-door "notchback" sedan based on the Civic in the U.S. by late fall 1980.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$ 1,815,800	$ 2,474,100
Magazines	9,004,600	10,135,400
Farm publications	152,800	——
Spot tv	869,400	1,121,200
Network tv	13,648,600	16,724,900
Spot radio	221,800	1,043,100
Outdoor	1,298,700	5,500
Total measured	27,011,700	31,504,200
Unmeasured	16,988,300*	3,495,800
Estimated total	44,000,000	35,000,000

*Includes adv/promotion and production cost.

MARKETING PERSONNEL

K. Yoshizawa, president
K. Fukatsu, vp-motorcycle div
J. Haight, natl adv mgr—automobile div
B. Pulskamp, adv mgr—motorcycle div

ADVERTISING AGENCIES

Needham, Harper & Steers, Los Angeles—William Hagelstein, acct super, autos; David Bloom, acct super, autos.

Dailey & Associates, Los Angeles—Bill Moreland, mgmt super, motorcycles; Roger Van Remmen, acct super, power products.

American Motors Corp.

	1979	1978
Sales	$3,117,049,000	$2,585,428,000
Earnings	83,944,000	36,690,000
Advertising*	44,611,600	43,444,500

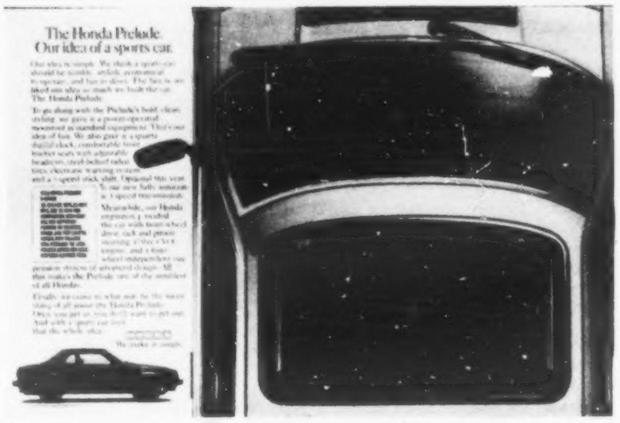
* Estimated by AA

American Motors Corp., Southfield, Mich., the 83rd largest national advertiser, set dollar sales and earnings records on a modest advertising increase in 1979.

Ad outlays of $44,611,600 were up about 2.7% over the $43,444,500 of 1978 as vehicle unit sales fell 9% in a market plagued by fuel problems. Because of its emphasis on small cars, AMC weathered the abrupt shift of buyers to small, fuel-efficient cars for a while. But the slumping economy and inroads of imports eventually cut its car sales.

Jeep, the star of AMC sales until the gas crunch of the spring, reversed its upward trend to fall substantially short of 1978 sales. Fiscal (model year) sales of Jeeps did set a record.

AMC spent the year digesting its deal with Renault to sell its small cars here in exchange for Renault technology (and AMC production of a Renault-based car in 1982) and Renault sale of Jeeps outside the U.S.



Class, economy and just plain fun are some of American Honda's reasons behind its snazzy, moon-roofed Prelude.

Earnings rose to $83,944,000 from $36,690,000 but, restated for an extraordinary tax credit, earnings still came to a record $68,100,000. That topped the 1978 after-tax credit figure of $24,100,000 by 183% and the prior record year, 1959, by 38%. Sales of $3.1 billion for fiscal 1979—October to October and coinciding with the vehicle model year—also were a record. They were up 21% from 1978.

■ AMC said automotive operations were "solidly profitable" and "properly positioned to meet strong demand for smaller, economical passenger cars resulting in increased penetration of the small car segments of the market." The 1979 results were also helped by Jeep which totaled sales of 151,667 units up from 145,716 in the fiscal year. For the calendar year, the last three months of 1979 were bad enough for sales on that basis to show a decline. Jeep sales slipped to 140,431 from 161,912. The situation was similar between fiscal and calendar years for cars. In the fiscal year sales declined to 184,456 from 193,803 and for the calendar period, sales dipped to 162,057 from 170,739.

Sales dollars rose for all vehicles to $2.5 billion from $2.2 billion and the special government vehicles of AM General, a subsidiary, rose to $503,930,000 from $348,353,000. More important, a loss of $5,230,000 in 1978 was charged to a profit of $3,457,000. Other operations, including international, showed a sales gain to $84,247,000 from $71,904,000 while net was up a bit to $3,406,000.

Market penetration was something else. That slipped to 1.7% of the entire market for the fiscal year, from 1.9% in the passenger car segment. Jeep's penetration of the utility and recreation portion rose to 15.7% from 14.4%.

The best-selling AMC car was the compact Concord at 85,431 units down from 114,764. A reskinned Gremlin subcompact, the Spirit, came on to capture sales of 54,356, up from 24,412 in 1978, and the 1980 Eagle, a four-wheel drive passenger car with a Concord body, gained 14,101 sales before 1979 was over.

■ Pacer, the bulbous subcompact, that had been looking for a market position all its brief life, finally found one. AMC dropped the line and only 8,169 were sold in 1979. Pacer apparently did find a market niche of a sort, AMC said. Its main group of buyers were affluent suburban women.

AMC started off model year 1979 by focusing on the new Spirit and appealing to emotions. That quickly turned to price cuts in the new year but Spirit revived with comparison ads against the Chevrolet Chevette that ran the balance of the model year.

The first fruits of the "association" with Renault came in the spring of 1979 when AMC started marketing the subcompact LeCar in the U.S. and began franchising the first of 500 AMC dealers for the French import. That also gave AMC a third agency, Marsteller, New York, which held onto the Renault account.

AMC said it benefits from Renault's advanced technology—it couldn't develop the fwd car it will make in Kenosha, Wis. in 1982 without the Renault components or the Renault $150,000,000.

Renault also has diesel and turbocharging expertise that will come in handy. LeCar gives AMC its only small fwd vehicle. Renault gets the Jeep to sell overseas and eventually 1,600 dealers to sell its imported products. That dealer network will be one of the largest for an import in the nation.

■ One of AMC's first moves was to start using the Renault name in LeCar ads in the belief that the old Renault Dauphine was forgiven if not forgotten.

Meanwhile AMC was moving to shore up lagging sales of the Spirit. Spring also brought Thomas A. Staudt to AMC as vp of the marketing group from Chevrolet where he had been director of marketing. David J. Van Peursem came over from GM's Oldsmobile division as general manager of marketing. He had been marketing director at Olds.

The word as gasoline shortages hit was fuel economy and AMC touted its small cars hard. Concord and Spirit, despite average fuel economy, still had one benefit of their aging designs—big gas tanks and the extended "range" of the vehicles got a lot of attention—as AMC readied the Eagle for fall introduction as a 1980 model.

The Eagle, said AMC convert Staudt, will be "blazing a new path into the marketplace" by wedding four-wheel-drive to a passenger car. Traction and smoothness was the goal to fill a "latent but burgeoning desire" for a vehicle with safety and security for bad roads and weather, said Larry Hyde, group vp international.

American Motors
Introduces the beauty of
4-wheel drive.
American Eagle.

"The Eagle has landed on all fours" was the campaign theme of AMC's new 4-wheel-drive offering.

The Eagle campaign was kicked off nearly a month before the rest of the domestics started advertising their 1980 models. Unlike the competition, AMC didn't have a big inventory of unsold 1979 models and wanted to get in the first punch of the new year.

The strategy was a 2½-week campaign just before other intros with heavy emphasis on the Eagle—"The Eagle has landed on all fours" was the theme. That opening shot was 80% tv, an unusual concentration for AMC. More traditionally, AMC used magazines for Eagle in a 1-1/3 page combination. The fractional page was used to list product attributes including a "revitalized" (again) Buyer Protection Plan.

■ AMC had a new twist in factory Ziebart rustproofing and a rust perforation warranty. Concord continued as a luxury compact and Spirit pursued its comparisons with Chevette. Both cars were under the theme, "Nobody builds a car to last the way American Motors builds them . . . Built for today. Built to last for tomorrow."

Jeep also started out naming the competition for its pickup truck, Cherokee Chief wagon type and the Wagoneer became the "ultimate wagon" as AMC sought a bigger share of the regular as well as the four-wheel-drive station wagon market.

The strategy worked, aided by the sharpening swing to smaller cars. While full-line manufacturers were showing concern early in the new model year, AMC sales were soaring, leading one AMC marketing official to say, "We think we have the right strategy and approach and we plan no changes. That's the first time I've been able to tell you that in a while."

Things kept getting worse for the Big Three automakers who started dealer incentives—indirect rebates—to rid themselves of carry-over 1979 models. Only the Pacer wasn't selling and it was due to be dropped shortly anyway.

By the end of November, only AMC was showing a sales increase among the four domestic makers. Chrysler Corp. was test marketing cash for test-driving programs and had rebates already in place and the others were revamping fall ads months earlie. than usual.

Imports started to be of increasing concern at AMC as president W. Paul Tippett Jr. took the stump to brand the Japanese for "exploiting" the U.S. market.

By March, AMC had been through indirect rebates that produced sales gains of 34% despite chairman Gerald Meyers basic dislike of the method. ("Rebates are addictive," he said.) Direct rebates followed on big Jeeps but AMC still clung to its basic marketing plan. "We've been following the plan. We haven't made any major changes—a little unusual for AMC," said Gene Richmond, director of advertising.

That changed in May as AMC swung into rebates for its cars, including Renault and Jeep in the "Great American Freedom Sale." The biggest headlines touted the giveaway of an American flag. For the first time, all three vehicle lines were combined in a single campaign with 90% of the effort on tv.

AMC, like the other auto makers, started looking hopefully to the fall and the 1981 models. The company planned to prune 10% of its models to concentrate its efforts and was optimistic about a 4wd version of the Spirit, sort of a son of the Eagle.

■ Its second-quarter fiscal year (January to March) saw earnings plummet to $1,300,000 from $32,000,000 in the 1979 quarter and chairman Meyers came to this gloomy conclusion: "The U.S. automobile industry is under severe pressure as a result of record interest rates, credit restrictions, reduced business activity and a decline in the consumer's real income combined with dramatically higher fuel prices."

That must have left Mr. Meyers sighing for fiscal 1979, when he could contemplate such things as record sales and earnings from international operations. Unit volume was up 12% keyed by Jeep and AMC started assembling vehicles in Eygpt.

AM General sales topped $500,000,000 for the first time, an increase of 45%. Its big business was in military trucks and Postal Service vehicles. Other subsidiaries were profitable. Wheel Horse products, Mercury Plastics and Windsor Plastics had record years. Sales of the three totaled $84,200,000, up from $71,900,000, and earnings rose to $3,400,000 from $3,100,000.

AMC actually spent $56,950,000 on advertising but some $12,500,000 of that was funneled through dealer ad associations in a cooperative program. The $44,611,600 it spent directly broke down to $37,500,000 on tv—$21,600,000 on spot tv as AMC continued a 1978 shift to that medium and $15,900,000 in network tv. That was up from the $29,186,400 spent in 1978 in tv. Magazine expenditures held about even at $5,300,000. Radio slumped to $100,000 from $758,100. Factory spending in newspapers declined to $1,550,000 from $7,666,900 but much of the slack was taken up by dealer groups. Outdoor was up to $161,600 from $18,500.

ADVERTISING EXPENDITURES*

	1979	1978
Newspapers	$1,550,000	$7,666,900
Magazines	5,300,000	5,814,600
Spot television	21,600,000	11,253,900
Network television	15,900,000	17,932,500
Spot radio	100,000	758,100
Outdoor	161,600	18,500
Total measured	44,611,600	43,444,500

*AA estimate

ADVERTISING EXPENDITURES**

	1979	1986
Newspapers	$5,128,000	$6,162,000
Magazines	5,068,000	7,703,000
Spot tv	16,486,000	9,833,000
Network tv	15,810,000	13,825,000
Spot radio	1,187,000	1,058,000
Outdoor	12,000	18,000
Total measured	43,691,000†	38,599,000‡

**Provided by American Motors
†Includes AMC, Jeep, Renault.
‡Includes AMC, Jeep.

ADVERTISING EXPENDITURES***

	1979
Newspapers	$5,593,500
Magazines	5,389,100
Spot tv	17,261,800
Network tv	17,242,900
Spot radio	99,900
Outdoor	161,600
Total measured	45,748,800

***From AA's usual sources

MARKETING PERSONNEL

Thomas A. Staudt, vp-mktg group
David J. Van Peursem, genl mktg mgr
Eugene L. Richmond, director, adv
J. L. Cherfoli, director, merch and sales promo
Robert Wheat, adv mgr, Jeep
Ray Avedian, pass car adv mgr
Marvin Klein, adv mgr, Renault
Fred Bennie, mgr of natl media
R. Schwartz, genl mgr, U.S. sales

ADVERTISING AGENCIES

Grey Advertising, New York-Robert L. Berenson, exec vp-mgmt rep; Bruce S. Wagner, senior vp-mgmt super, Southfield, Mich.; Richard Krain, vp-mgmt super, New York.

Compton Advertising, New York-Jeep commercial vehicles-John Dunmar, exec vp-mgmt super, Bill Williams, vp-acct super, Southfield, Mich.; Ken A. Glowacki, acct exec, Southfield, Mich.

RETAIL SALES (U.S. IN UNITS)

	1979	1978
Gremlin/Spirit	54,356	24,412
Concord	85,431	114,764
Eagle	14,101	——
Pacer	8,169	20,811
Matador	——	9,471
AMX	——	1,281
Jeep	140,431	161,912
Total	302,488	332,651

American Telephone & Telegraph Co.

	1979	1978
Sales	$45,408,078,000	$40,933,356,000
Earnings	5,518,153,000	5,109,203,000
Advertising	219,756,300	172,822,100

MARKETING PROFILES

American Telephone & Telegraph increased its advertising about 27% to $219,756,300 in 1979 to become the ninth largest advertiser in the U.S.

This increase in ad spending comes in a year that saw the Bell System's revenues grow 10.8% to nearly $45.5 billion. Earnings passed the $5.5 billion mark.

Return on average total capital was up slightly to 9.8%, but considerably below the 13% return that the Bell System believes it must earn in order to assure sound financing of service growth and improvement.

Some 5,000,000 new phones were added to the system in 1979 for a total of 138,000,000 in service and $15.8 billion were spent largely to expand and enhance the capabilities of the telecommunications network. Growth in demand was strong for the year though it was slower in the second half. Long distance calling rose 10.8%, international calls 20%, andWATS revenues grew a significant 16%.

Of the company's nearly $45.5 billion in revenues, 37% came from basic monthly rates and equipment charges to business and residential customers, 6.5% from local message charges. Long distance calls, both state and interstate, accounted for 40%; most of the balance came from WATS, private line services for business and government, and from directory advertising.

■ The Bell System spent $15.8 billion for construction in 1979, an increase of $2.2 billion; 53% of the construction budget went to meet current and anticipated growth, 23% to replace older equipment and facilities with new technology, and the balance largely for the rearrangement of facilities and provision for customer movement.

Some $2.4 billion or 16% was for new electronic switching equipment; 350 local electronic central offices were installed to serve 8,100,000 lines, 23% more lines than 1978. By year's end, 1,950 local electronic switching offices were serving 37% of the system's customers.

Fifteen long distance electronic switching systems were installed in 1979. These large digital switches handle more than 500,000 calls per hour—more than four times the capacity of earlier systems. The new systems, which take up less space and require less maintenance, brought the total in service to 35.

The addition of long distance high speed signal systems continued. These 100 signal systems enable switching centers to communicate rapidly with each other to establish availability of circuits, set up calling paths, and collect information for billing.

The computerized operator consoles, called traffic service position systems (TSPS), which save operator time on collect, credit card and other special calls, grew to the point that about 87% of Bell customers are now served by TSPS. These systems calculate charges, announce them to the customers and (in the case of pay phones) count the coins deposited.

Technology marches on in the Bell System from the installation of digital echo canceler chips (which eliminate echoes on very long distance calls, in particular on satellite circuits) developed at Bell Laboratories, to lightwave communications—the transmission of information on a light beam sent along hair-thin glass fibers.

■ Lightwave systems were installed in 1979 in Connecticut, California and New York—the New York installation to provide voice and video service for the 1980 Winter Olympics at Lake Placid.

International direct dialing came to 940 additional cities in the U.S. in 1979. Some 36,000,000 customers in 2,600 cities across the country can now dial direct to 64 foreign countries.

A seventh transAtlantic cable was approved by the Federal Communications Commission in 1979. The cable will stretch 3,400 miles from Tuckerton, N.J., to Land's End, England. It will carry 4,200 conversations at once compared with 36 in the first transatlantic cable laid in 1956 (now retired) and cost $13.60 per circuit mile compared with $300 in the first.

The Bell System's Dimension 2000 PBX was adapted to the specific energy needs of the hotel and motel industry. The initial installation in a major hotel in Atlanta is expected to reduce energy costs by 10% by instructing the communications system to shut down energy-consuming equipment in various parts of the hotel when it is not in use—such as lights in conference rooms and restaurants.

Picturephone Meeting Service—a two-way voice and video service—had increasing use as an energy-saving way to hold meetings by both business and government. It is currently offered on a trial basis at service centers in 12 cities.

■ The Advanced Mobile Phone Service (AMPS) was offered in a trial with 1,400 customers in the Chicago area. AMPS is a mobile phone with performance quality comparable to home or office phones. It can be offered to virtually an unlimited number of customers in metropolitan areas. Bell awaits regulatory approval to offer this system.

The Touch-a-matic 12 electronic dialer and the Touch-a-matic S series were both introduced as new home use products in 1979. The Touch-a-matic 12, used in conjunction with a regular telephone, enables the customer to store as many as 12 telephone numbers and dial them automatically at the touch of a single button. The Touch-a-matic S is an electronic telephone with built-in automatic dialing.

Some 200 Bell System Phone-Center stores were added in 1979. There are now almost 2,000 of these retail outlets where customers can shop for telephones, carry them home and plug them in. Many Phone-Centers also offer replacement of broken or defective phones on a "walk-in" basis. More than half of the new phones installed in 1979 were provided through Phone-Center stores.

Other home services that grew significantly during the year were Touch-Tone service, which increased by 19% and Custom Calling services, which offer features such as automatic forwarding of calls to another telephone number and abbreviated dialing of frequently called numbers, grew by 50%.

■ The largest share of ad spending by the Bell System went to long distance lines which received $44,365,800 in 1979, up significantly from the $18,500,000 spent in 1978. More than half—$26,000,000—went to network television. Yellow Pages also had a significant budget, just over $13,000,000 and spent it mainly in network and spot television. Each regional Bell System company had its own ad budget, and spent from a high of $7,427,400 for Southern Bell Telephone System to a low of $518,000 for Pacific Northwest Bell Telephone Co.

Pacific Telephone & Telegraph Co. was budgeted for nearly $4,000,000. Western Electric, AT&T's manufacturing subsidiary, showed up with a measured media outlay of more than $6,000,000, which went, respectively, to tv, magazines and outdoor.

In February, 1980, AT&T settled an antitrust suit by agreeing to buy up to $2 billion worth of products and services from International Telephone & Telegraph Co. ITT competes with Western Electric in selling phone equipment.

What the Washington regulators, Congress and the federal courts do regarding the world's largest company—related to what areas in which AT&T will be allowed to operate in addition to those already staked out—will continue to be of vital concern to AT&T.

A mid-1980 Chicago federal court decision awarding MCI Communications $1.8 billion in Sherman Antitrust Act damages has been appealed. MCI charged AT&T with trying to force MCI out of the long-distance phone field by refusing to make intracity interconnections for MCI's customers.

Also at issue is AT&T's future role in the new communications technologies, including the rapidly expanding field of satellite transmission.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$14,951,400	$12,090,300
Magazines	25,287,200	16,742,500
Spot tv	42,084,000	33,148,766
Network tv	54,903,500	41,203,400
Spot radio	9,204,500	4,800,000
Network radio	7,079,400	1,633,800
Outdoor	796,300	523,600
Total measured	154,306,300	110,142,300
Unmeasured	65,450,000	62,679,800
Estimated total	219,756,300	172,822,100

CORPORATE ADVERTISING PERSONNEL

J.A. Howland, asst vp-adv
D.E. Hutchins, adv director-rsch/public service
K.W. Weihe, adv director business mkts

ADVERTISING AGENCIES

N W Ayer ABH International, New York (except ethnic markets and Yellow Pages)—Roy Robinson, vp; Phil Guigliemetti, Lamar LeMonte, vp.

Cunningham & Walsh, New York—Carl Nichols, chairman; Nat Allen, senior vp, Tom Kirmayer, acct super.

Uniworld Group, New York—B.E. Lewis, president; Wally Caldwell, senior vp/mgmt super; Tillman deGraphenreed, acct rep.

Long Lines Department

K.M. Armstrong, adv-director
P.C. Shyposh, adv mgr

ADVERTISING AGENCY

N W Ayer ABH International, New York—all services—Tom Maxey, mgmt super; F.K. McClafferty, vp; Joe Dodson, vp.

WESTERN ELECTRIC CO.

J.F. Rhame Jr., director, adv
J.G. Blake, mgr
R.J. Martin, natl adv mgr

ADVERTISING AGENCY

Foote, Cone & Belding, New York—all services—Mike Hoynes, mgmt super; Marilyn Fidler, acct super.

BELL TELEPHONE LABORATORIES

John Gregory, director technical information & adv
H. Apfelbaum, head/adv

ADVERTISING AGENCY

Aitkin-Kynett, Philadelphia—George Bernard, mgmt super; William Cass, acct super.

NEW ENGLAND TELEPHONE & TELEGRAPH

B.B. Sullivan, genl adv mgr

ADVERTISING AGENCY

Harold Cabot & Co., Boston—Yellow Pages, John Osborne, acct exec; all other, William H. Monaghan, exec vp, acct super.

SOUTHERN NEW ENGLAND TELEPHONE CO.

Jean M. Handley, vp
J.W. Gamsby, div staff mgr

ADVERTISING AGENCY

Mintz & Hoke, Avon, Conn.—all services—Nick King, acct super; Alan Mintz, acct super.

NEW JERSEY BELL TELEPHONE CO.

J.D. Simpson, div staff mgr, adv

ADVERTISING AGENCY

Bozell & Jacobs, Union, N.J.—all services—Ronald Vrba, senior vp & genl mgr.

NEW YORK TELEPHONE CO.

E. Westfall, asst vp, adv
T. Hayes, div staff mgr-adv
John Shea, div staff mgr-adv

ADVERTISING AGENCIES

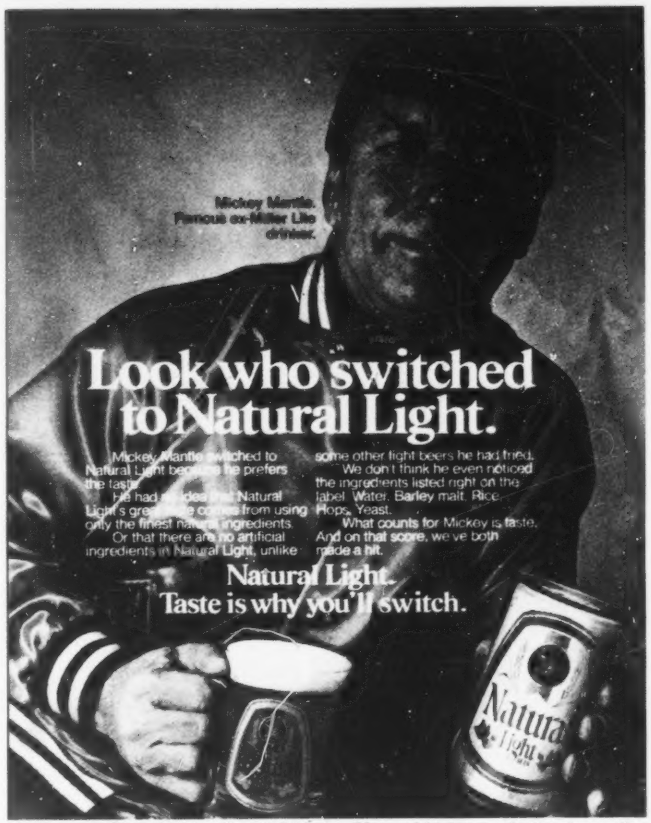
Young & Rubicam, New York—M. Lowenstein, acct super; David Nichols, acct supers.

Wunderman, Ricotta & Kline, New York—mass announcement services—Richard Colligan, acct super; T. Daly, acct exec.

Conill Advertising Agency, New York—Spanish market—Rafael Conill, president.

BELL TELEPHONE CO. OF PENNSYLVANIA

T. Snowe, asst vp
R.S. Hoffsis, genl pr super-adv


Mickey Mantle.
Famous ex-Miller Lite drinker.
Look who switched to Natural Light.
Natural Light.
Taste is why you'll switch.
Natural Light

Mickey Mantle switched to Natural Light because he prefers the taste.

He had no idea that Natural Light's great taste comes from using only the finest natural ingredients.

Or that there are no artificial ingredients in Natural Light, unlike some other light beers he had tried.

We don't think he even noticed the ingredients listed right on the label. Water. Barley malt. Rice. Hops. Yeast.

What counts for Mickey is taste. And on that score, we've both made a hit.

Anheuser-Busch's leading light beer, Natural Light, is closing in on the current No. 1, Miller's Lite. Mickey Mantle (ex-Lite drinker) is among those who claim taste is why he switched.

ADVERTISING AGENCY

Lewis & Gilman, Philadelphia—all services for Bell of Pennsylvania and Diamond State Telephone Co.—George Gunn, mgmt super; Ray Hunter, Ed Davids, acct supers; William Doorley, acct exec; Joseph Patenaude, vp-dm div.

CHESAPEAKE & POTOMAC TELEPHONE COS.

J.H. Zahn, vp
R.E. Harman, div staff mgr

ADVERTISING AGENCY

Ketchum, MacLeod & Grove, Rockville, Md.—all services—William Harrington, vp; Tom Rich, acct super & vp; Gordon Dunlop, acct super.

SOUTH CENTRAL BELL TELEPHONE CO.

J.R. Gray, asst vp
J.C. Stapleton, div staff mgr

ADVERTISING AGENCIES

Luckie & Forney, Birmingham—all services—Frank Lee, president.

Godwin Advertising, Jackson, Miss.—media services in Mississippi—John Fontaine, president.

SOUTHERN BELL TELEPHONE

M.T. Brandt, div mgr, adv

ADVERTISING AGENCY

Tucker Wayne & Co., Atlanta—all services—Sidney Smith, acct super.

MICHIGAN BELL TELEPHONE CO.

D.J. Gillard, asst vp
D.A. White, genl adv mgr

ADVERTISING AGENCY

Ross Roy Inc., Detroit—all services—R. L. Simmons, acct super.

OHIO BELL TELEPHONE CO.

L.C. Gilman, vp
D.H. Parker, div mgr, adv

ADVERTISING AGENCY

Marschalk Co., Cleveland—all media—T.R. Driscoll, vp-acct super.

CINCINNATI BELL TELEPHONE CO.

J.J. Gannon, vp
R.R. Brill, adv mgr

ADVERTISING AGENCY

Fahlgren & Ferriss, Cincinati—all services—John Burpee, vp.

WISCONSIN TELEPHONE CO.

C. Dickson, vp
J.J. Dwyer, district staff mgr

ADVERTISING AGENCY

Cramer Krasselt Co., Milwaukee—all services—William Faude, acct super.

SOUTHWESTERN BELL TELEPHONE CO.

K. Kaufman, vp-adv

ADVERTISING AGENCIES

Gardner Advertising Co., St. Louis—Ray Ward, mgmt super.

D'Arcy MacManus & Masius, St. Louis—Ken Mihill, exec, vp-St. Louis.

INDIANA BELL TELEPHONE CO.

J.D. Mitchell, adv mgr

ADVERTISING AGENCY

Handley & Miller, Indianapolis—all services—David Scott, acct exec.

ILLINOIS BELL TELEPHONE CO.

R.B. Markham, vp
R.E. Campbell, adv mgr

ADVERTISING AGENCIES

N W Ayer ABH International, Chicago—all services—Jim Titus, vp-acct super.

Vince Cullers Advertising Inc., Vince Cullers, president.

Omar Inc., Marcelino Miyares, president

NORTHWESTERN BELL TELEPHONE CO.

R.G. Keim, asst vp, ad.

ADVERTISING AGENCY

Bozell & Jacobs, Minneapolis—all services—Larry Wiken, acct super, Charles Ammons, acct super.

MOUNTAIN BELL

G.M. Fowler, asst vp
S.C. Kanewske, adv mgr

ADVERTISING AGENCY

Tracy-Locke, Denver—all services—Don Mitchum, vp-acct super.

PACIFIC NORTHWEST BELL TELEPHONE CO.

E.C. Read, vp
M.K. Jordan, div staff mgr

ADVERTISING AGENCY

Chiat/Day, Seattle-all services—Mark Chernansky-acct super, Valerie Houtchens-exec super.

PACIFIC TELEPHONE & TELEGRAPH CO.

G.D. Blatherwick, vp
J. Golightly, staff director—adv

ADVERTISING AGENCIES

Foote, Cone & Belding/Honig, San Francisco—all services—Craig Wiggins, genl mgr; R.A. Imel, group mgmt super

Bermudez & Associates—Spanish-language advertising—Eduardo Bermudez, president; Fernando Garces, Fernado Favela, acct execs.

Anheuser-Busch

	1979	1978
Sales	$3,263,744,000	$2,301,[illegible]000
Earnings	124,094,000	111,[illegible]000
Advertising	160,524,000	116,599,000

Anheuser-Busch, St. Louis, the nation's 22nd largest advertiser, boosted its ad spending by 37% in 1979 to a total of $160,524,000. That nike may seem hefty but as A-B Inc. president Dennis P. Long points out, the company is slowing down the rate of increase in marketing spending. In 1978, the brewery hoisted its ad spending by 47% over 1977 levels. For 1980, Anheuser-Busch is expected to increase its ad budget by an estimated 25%.

MARKETING PROFILES

Anheuser-Busch continued its reign as king of the beer industry for the 23rd consecutive year and further outdistanced its archrival, the Miller Brewing Co. The king reorganized its court last year and came up with a Delaware holding company dubbed Anheuser-Busch Cos. Then it transformed all of its divisions into subsidiaries. Dennis Long, formerly vp-general manager of the beer division (now known as Anheuser-Busch Inc.), ascended to the presidency; W. Randolph Baker became president of the Busch Entertainment Corp. (formerly Busch Gardens division).

In '79, the company's sales increased 20.8% to $3.3 billion. Net income climbed to $124,000,000, up 11.8% from 1978.

Once again, the company's beer sales smashed records in 1979. Barrelage climbed to 46,200,000 bbls. last year—or, as the company boasts, "One out of every four beers sold in the U.S. is an A-B product." Miller Brewing pulled up behind the king with 35,794,000 bbls; A-B took a 26.4% share of the market; Miller garnered 21.3%.

■ Anheuser-Busch is (still) pulling out all stops to leave Miller in its dust. In 1979, A-B operated at 98% capacity; now the company is working hard on expanding its output. The Williamsburg, Va., brewery's capacity has been doubled (to 8,000,000 bbls.), while the Los Angeles' output is being tripled (to 10,000,000 bbls.—the largest expansion in the company's 108-year history). Last year A-B bought the Jos. Schlitz Brewing Co.'s New York plant (herewith known as the Baldwinsville plant) for $100,000,000 with another $100,000,000-plus earmarked for renovation. By 1985, A-B's network of 11 breweries will have a capacity of 65,000,000 bbls.

Budweiser, A-B's flagship brand and best seller, stuck with its pitch to hardworking Americans and its "This Bud's for you." A-B spent $29,209,000 on Bud in the six measured media, up from the $24,636,700 spent in 1978. As usual, the bulk of those moneys ($22,530,800) went into network tv buys. In keeping with the company's concept of total marketing programs, A-B spent an additional $258,600 on sweepstakes and sports promotions.

Budweiser's advertising may be saluting hardworking people outside the U.S. as the brand expands its horizons. A-B recently signed an agreement with the Labatt Brewery whereby the Canadian brewer will brew and market Budweiser in Canada and will market (imported) Michelob.

Busch, the company's "successful regional branch ready for additional rollout when capacity permits," according to Mr. Long, has added a western slant to its "Head for the Mountains" campaign. The spots have come down from the mountains to hardworking cowboys repairing fences and then repairing further for their just reward—an ice-cold Busch.

The company is playing with Busch, pricing it differently for various regions. A-B sunk most of its $8,039,100 (measured media) into spot tv.

■ Michelob, still mighty in the superpremium category, kept John Forsythe, Vic Damone, and "Weekends are made for Michelob" for yet another year. In total measured media support, Mich got $15,400,000, with $11,657,400 slotted for network tv.

The lighter, lower-calorie, less-filling version of Michelob, Michelob Light, muscled its way to the No. 3 slot in the light beer category last year, behind A-B brethen, Natural Light. Breaking out of Michelob's shadow, Michelob Light came out with a new campaign theme "Compare the taste of Michelob Light to any beer you like." The company shelled out $16,648,578 in the six measured media for the brand—with $13,765,800 in network tv. In 1978, A-B allocated $6,475,800 for Mich Light.

A-B's leading light beer, Natural Light, is considered by many to be the biggest gun in the company's arsenal. The brand is now the No. 2 light behind Miller's Lite. A-B raided the ranks of Miller Lite advocates last spring for its new Natural Light campaign theme "Taste is why you'll switch." Those claiming taste is why they switched are former athletes Nick Buoniconti, Joe Frazier and Mickey Mantle. Swilling along are other former *Sports Illustrated* cover boys Walt Frazier and Catfish Hunter, along with Natural Light regulars, Norm Crosby and Ray J. Johnson.

Anheuser-Busch's import, Wurzburger-Hofbrau, added Baltimore, Cincinnati, Louisville, Washington and New York (draught only in New York) to bring its territory up to 10 test markets. With TBWA still on the creative, the ads still stress the import method (barrels) and product freshness. According to Mr. Long, A-B's president, the fate of the brew will be decided in late '80.

Beer is certainly not Anheuser-Busch's only business. For instance, it has broken into the soft drink market—first with the much maligned Chelsea (r.i.p. in test market graveyards), then with Root 66 and now Sugar Free Root 66. Both Roots are now in test.

A-B is getting into the $4.4 billion snack food business with a line called Eagle, delivered to the bars and pubs with the other A-B products and now in test in Boston, Atlanta and San Francisco.

Then there is the direct mail business, dubbed the Clydesdale Collection. Tapping "labelmania," the company is marketing a line of goods ranging from bar accessories to clothing to automobiles to telephones—all with the company insignia, the Eagle and the A.

Of course, there are the Cardinals. The 1979 season was a biggie for the Redbirds as the team wound up in October securely in third place; the attendance climbed 27% to 1,600,000. Regrettably, the Cards once again resulted in a loss on the corporation's bottom line. Even with last year's co-MVP Keith Hernandez having another good year, as are other players, the '80 season looks dismal for the gate—the team is mired in the second division.

Business was bustling at A-B's theme parks in Tampa and Williamsburg in 1979. Combined attendance was up to 4,800,000. Nearly 3,000,000 visited The Dark Continent in Tampa last year and found you don't have to trek too far to find Timbuktu—A-B has built it in Florida for $20,000,000. The company has embarked on another Tampa addition—a $7,000,000 Adventure Island water park.

■ The Old Country in Williamsburg hosted 1,900,000 guests last year and started construction on a new Italy section for the park.

Last year also marked the beginning of construction on Sesame Place, a joint venture by the Children's Television Workshop (progenitor of tv's "Sesame Street") and Busch Entertainment Corp. The small-scale educational park is being built on a 15-acre tract outside of Philadelphia and is scheduled to open late in July, 1980.

In defiance of recessionary times, Busch Properties had its best earnings since 1973. By year's end, a total of 441 homesites (in the six single-family residential developments at Kingsmill on the James) and 195 units (in the four multifamily developments) had been sold at the 2,900-acre residential community near Williamsburg. Busch Corporate Center, adjacent to Kingsmill, is now 50% complete, while the Busch Corporate Center in Columbus, O., is 80% complete and a third Busch Corporate Center is now planned adjacent to the Fairfield, Cal., brewery.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$2,272,600	$2,381,300
Magazines	7,013,300	3,058,100
Spot tv	15,772,500	11,041,100
Network tv	63,044,100	46,840,800
Spot radio	19,567,100	12,315,000
Network radio	3,428,500	2,483,800
Outdoor	1,660,000	1,666,400
Total measured	112,768,700	79,786,500
Unmeasured	47,755,300	36,812,500
Total	160,524,000	116,599,000

MARKETING PERSONNEL

Dennis P. Long, president
Michael Roarty, vp-beer mktg
Davis L. Morris, staff vp
Michael J. LaMonica, vp-sales
Luke L. Meatte, field sales vp
Jack N. MacDonough, vp-brand management
Robert E. McDowell, group mktg mgr, Michelob, Michelob Light, Wurzburger-Hofbrau
W.M. (Monty) Roberts III, Busch mktg mgr
Charles B. Fruit, natl media coordinator
Robert D. Brandon, director mktg services
Patrick G. McLean, director, sales promo
Donald R. Dixon II, director, sports programing

SOFT DRINK DIVISION

Keith M. Jones, mktg mgr

BUSCH ENTERTAINMENT CORP.

Thomas R. Sharbaugh, vp-mktg director
Barry H. Thigpen, mktg mgr, Busch Gardens, Williamsburg
Rodney C. Caborn, mktg mgr, Busch Gardens, Tampa
John Hunter, mktg mgr, Sesame Place, Bucks County, Pa.

ADVERTISING AGENCIES

D'Arcy-MacManus & Masius, St. Louis—Perc Orthwein, exec vp-account services; Tim Arnold, vp-acct super, Budweiser; Pat Harrington, acct super-Natural Light; Dave Drew, acct super, Michelob; Talmadge Newton II, acct super, Michelob Light

Needham, Harper & Steers, Chicago—Busch: Ron Bess, mgmt super; Ray Gillette, acct super. Soft drinks: Lance Nelson, acct super.

TBWA, New York—Wurzburger-Hofbrau—Barrie Hedge, acct super.

McDonald & Little, Atlanta—Busch Gardens and Sesame Place—Tim Tulley, acct super; Bob Morrison, acct exec; Bill Zaecheo, acct exec.

B.A.T. Industries Ltd.

	1979	1978
Sales*	$1,440,000,000	$1,361,700,000
Advertising†	116,396,600	82,397,500

*Domestic (cigaret sales only), estimated by AA
†Domestic spending only

B.A.T. Industries Ltd., a British holding company and the 41st largest national advertiser, is estimated to have spent $116,396,600 on advertising in 1979, about 41% more than the year before.

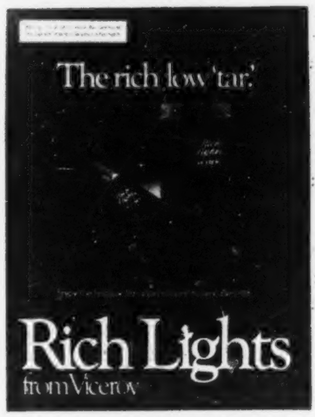
Worldwide sales in 1979 totaled $15,426,700,000, with earnings of $522,903,500. In 1978, B.A.T.'s sales amounted to $13,482,700,000, with earnings of $445,220,000.

During the year, B.A.T. consolidated its U.S. operations, which include tobacco, retail and paper interests, into a subsidiary called Batus Inc., based in Louisville, Ky.

Brown & Williamson Tobacco Corp., also based in Louisville, is the largest enterprise in the Batus family. B&W's cigaret sales totaled an estimated $1,440,000,000 in 1979, compared with $1,361,700,000 in 1978.

Although revenues were up slightly, the number of units sold dropped from 92.3 billion in 1978 to 87.9 billion in 1979, as did B&W's market share, which declined from 15.3% to 14.4%. Still, the company managed to hold on to the No. 3 position among the nation's largest tobacco marketers, ranking behind R.J. Reynolds Tobacco and Philip Morris Inc. and ahead of American Tobacco Co., Lorillard Corp. and Liggett & Myers.

■ Kool, the country's top selling menthol cigaret, continues to be the company's No. 1 brand, though sales have been declining. In 1979, the brand, which ranks behind Philip Morris' Marlboro and R.J. Reynolds' Winston, sold 56.5 billion units, 2.9 billion fewer than the year before. That amounted to a market share of about 9.2%, compared with 9.7% in 1979.



B.A.T.'s Viceroy devoted most of its ad spending to its Rich Lights, a product in its 1st full year of distribution.

The brand received $22,489,500 in measured media support, with $9,554,500 going to magazines, $2,637,700 to newspaper supplements, $177,700 to spot television (nontobacco ads) and $10,069,600 to outdoor.

As other tobacco companies have found, sales of low-tar extensions of existing lines have contributed to sales gains. In the case of Kool, the number of units sold were up 6.7% for Kool Milds, 5.5% for Kool Super Lights and 8.5% for Super Lights Longs.

Recognizing this, B&W backed the Kool Super Lights line with $13,803,400 in measured media support in 1979, most of it in magazines.

The company also introduced Kool Internationals, a 95mm, 9mg tar menthol into test market. Previously available only in foreign markets, Internationals are aimed at "urban smokers who are interested in the international style," according to a company source.

To bring even more attention to the Kool brand, B&W became the sponsor of the famed Newport Jazz Festival for 1980, taking over from the Jos. Schlitz Brewing Co. Interestingly, the event, which was dubbed Kool Newport Jazz Festival New York, brought together two of the top selling menthols. Newport, of course, refers to the festival's original home, Newport, R.I., as well as Lorillard's Newport brand cigarets. But B&W execs believed that removing the Newport tag would make the festival "unidentifiable."

Viceroy, No. 2 at B&W and No. 14 nationally, sold 11.8 billion units in 1979, down 510,000,000 from the year before. Measured media spending for the brand totaled $16,493,300 in 1979, with $10,299,700 going to magazines, $92,800 to newspaper supplements and $6,100,800 to outdoor.

■ Virtually all of the support—$15,138,000—went to Viceroy Rich Lights, which was in its first full year of national distribution. The line extension attained a 0.41% share of the market during the year, while the brand as a whole stood at 1.9%.

B&W attempted to spur sales of Rich Lights through sweepstakes offering luxury prizes. One contest, which involved a scratch and match card, offered an Excalibur 1980 Series 4 Phaeton car, a Pablo Picasso linocut and a 225-gem necklace made by Harry Winston Inc. A second sweepstakes offered an island and a house as the grand prize.

Raleigh, the No. 16 brand nationally, had sales of 11.4 billion units in 1979, a total of 740,000,000 fewer than in 1978. Filtered Raleighs, including Raleigh Lights, accounted for 10.4 billion of those units, down from 11.6 billion in 1978.

Measured media spending for the brand totaled $4,803,200 in 1979, with $2,262,400 going to magazines, $920,600 to newspaper supplements and $1,620,200 to outdoor.

Belair, the 20th largest-selling cigaret and another menthol in B&W's stable, also saw sales drop, from 8.3 billion units in 1978 to 7.5 billion in 1979, giving the brand an estimated share of 2%.

Measured media spending rose to $9,027,900 in 1979 from $8,246,400 in 1978. Magazines received $5,085,000, newspaper supplements $1,130,200 and outdoor $2,812,700.

■ Much of B&W's attention during the year focused on one of the hottest segments in the industry—the low-tar menthol. The company is a big factor in the menthol market as a whole, accounting for about 36.9% of sales (or about 10.5% of the entire cigaret market).

Arctic Lights, the 9mg menthol introduced in 1978, added to B&W's forces in the low-tar end of this segment, but it has found the competition rough. The brand accounted for 1.29 billion units sold in 1979, or about 0.21% of the market, and measured media spending has been heavy, to the tune of $18,807,300 in 1979. A total of $7,383,700 went to magazines, $1,971,800 to newspaper supplements and $9,451,700 to outdoor.

Despite such support—estimates say the total ad investment during the introductory year ran from $35,000,000 to $40,000,000—B&W appears disappointed with the brand. Rosser Reeves Inc. resigned the account recently because, the agency said, it no longer had a budget. "They [B&W] were making enormous demands on us," said agency chairman Scott Reeves. "We decided we weren't going to continue on a basis that was not profitable to the family."

The account subsequently was turned over to McCann-Erickson, which also handles Viceroy.

Reports, meanwhile, indicated that B&W was considering an attempt to enter the ultra low-tar segment, possibly with a brand called Golden Ones, Choice or Barclay. Choice was package tested in Florida late last year.

An entry here would have to tackle American Tobacco's successful Carlton, as well as R.J. Reynolds' Now and Philip Morris' Cambridge.

■ Other B&W tobacco products include Laredo, a roll-your-own cigaret kit; Sir Walter Raleigh regular, aromatic and special mixture pipe tobaccos; Tube Rose snuff; Bugler, Target and Kite tobaccos for the roll-your-own market, and Bloodhound, B&W Sun Cured and Red Juice plug chewing tobacco.

Batus, meanwhile, continued to shore up its retail division. Saks Fifth Avenue, Kohl Supermarkets and Kohl Department Stores reportedly were doing well, but Gimbel Department Stores still faced difficult times.

Though company execs claimed that Gimbel operations in Pittsburgh, Philadelphia and Milwaukee were showing signs of improvement, the New York stores continued to put a drag on progress.

Measured media spending for Gimbel in 1979 totaled $3,760,000, with $117,500 going to magazines, $74,500 to newspaper supplements and $3,568,000 to spot tv. For Saks, spending totaled $2,357,600, with $545,300 going to magazines, $500,200 to newspaper supplements and $1,312,100 to spot tv. And for Kohl, the total was $470,700, all of it in spot tv.

One Batus holding in the U.S. in the news recently became entangled in legal difficulties. Appleton Papers, which manufactures carbonless copying paper, became the object of a Federal Trade Commission complaint of antitrust violations.

The FTC asked that B.A.T. divest itself of the operation, which was purchased in 1978 for $280,000,000 from NCR Corp. Appleton and B.A.T. were the world's two largest producers of the paper at the time of acquisition, the FTC said.

Measured media spending in 1979 for Appleton business papers totaled $135,200, all of it in magazines.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$ 25,[illegible]3,100	$16,532,100
Magazines	36,081,400	22,765,200
Spot tv	5,939,000	6,010,100
Spot radio	170,300	18,500
Outdoor	30,872,800	21,071,600
Total measured	98,396,600	66,397,500
Unmeasured	18,000,000	16,000,000
Estimated total	116,396,500	82,397,500

MARKETING PERSONNEL

Brown & Williamson Tobacco Co.

S.A. Wallace, sr vp-marketing
E.T. Parrack Jr., vp-brand mgmt
R.E. McKeown, group product director—Kool, Arctic Lights
G.T. Reid, group products director—Belair, Viceroy, Raleigh
B.L. McCafferty, group product director—new prods
P.J. Tighe, group product director—Sir Walter Raleigh, Laredo, long-cut prods, plug, snuff
Senior brand mgrs: L.R. Lewis Kool, Arctic Lights; E.A. Willets, new prods; D.E. Spangler, new prods
Brand mgrs: M.W. Schofield, Raleigh; A.G. Forsythe, Viceroy
Asst brand mgrs: G.P. Ward, Belair; M.M. Matteson, Arctic Lights; S.M. Finley, Viceroy; R.L. Chambers, Raleigh; P.S. Wessel, Kool;
R.G. Humberson, new prods
T.F. Neville, media mgr
R.A. Veatch, brand promo mgr
J.M. Coleman, financial/admin mgr
F. Canary, asst media mgr
C.E. Smooth, production super

ADVERTISING AGENCIES

Cunningham & Walsh/Chicago—Kool, Raleigh, Belair, Sir Walter Raleigh, Laredo—J. Doherty, president; S. Pollack, G. Dearth, creative directors; A. Edelstein, associate media director; G. Wilcox, media director; R. Parker, mgmt super; M. Mayers, acct director; E. Hannum, acct super, Raleigh; R. Vail, acct super, Belair; J. Popp, acct super, catalog and merch.

McCann-Erickson, New York—Viceroy, Arctic Lights, new prods—J. Agnew, president; F.J. Van Bortel, exec vp; S. Seiter, senior vp; Herb Ross, acct super, Viceroy; A. Millar, acct super.

Zimmer-McClaskey-Lewis, Louisville—promo services, trade and community adv—W.C. Hultman, acct super; J. Clingaman, super, sales promo planning; R. Mills, R. Brymer, B. Jarboe, acct mgrs.

Action Marketing Ltd., Englewood Cliffs, N.J.—consumer promos—C. Visich, president; P. Mundy, exec vp; J. Acken, vp.

Beatrice Foods Co.

	1979	1978
Sales	$8,290,509,000	$7,479,025,000
Earnings	290,140,000	262,167,000
Advertising	150,000,000	150,370,000

Beatrice Foods Co., Chicago, the nation's 27th largest national advertiser, invested $150,000,000 in advertising in 1979, virtually the same amount it spent in 1978.

As in the past, Beatrice put the bulk of its investment—nearly $119,000,000—into such non-measured media as coupons, premiums, packaging and point of sale.

Out of the total of $31,179,100 spent in measured media advertising (down from $33,400,000 in 1978), Beatrice's largest investment continued to be in spot television with $14,900,000, though it was cut sharply from the $16,800,000 spent in 1978. This included a $1,500,000 drop in spot television support of Danny Frozen yogurt and a $400,000 drop in Eckrich frankfurter spot television advertising. Spot radio also suffered, dropping to $2,000,000 from $3,200,000.

■ Network television and newspaper advertising changed little in 1979 as compared with 1978, the former staying at approximately $5,600,000 while the latter rose to $2,800,000 from $2,700,000.

The cuts in spending in other media were partially offset by a sharp increase in the use of magazines by Beatrice, with expenditures increasing to $4,800,000 in 1979 from $4,000,000 in 1978, up 20%. This reflected $300,000 in advertising support for its spring, 1979, Airstream recreational vehicle sweepstakes, and $200,000 increases in advertising support for each of Samsonite luggage and Eckrich sausage.

Other Beatrice measured advertising included farm publications and outdoor media.

Dannon yogurt continued to be Beatrice's most heavily advertised product as measured by Leading National Advertisers, with measured advertising rising to $3,700,000 from $2,800,000 in 1978. Virtually all expenditures were on television advertising, split in a ratio of one-to-three between network and spot placements.

■ Other lines receiving heavy advertising support included Samsonite luggage, with $3,700,000 spent on magazine and television; Eckrich meat products, $4,300,000 total spent mostly on television, with sausages getting $2,200,000, frankfurters getting $1,300,000 and lunch meats $700,000; La Choy Chinese food products got $1,300,000 in television support; Swiss Miss instant cocoa mix and Swiss Miss ready-to-eat pudding got $1,100,000 and $1,200,000 respectively, mainly in network television; and Culligan's home water purification products got $1,400,000 of spot television support.

Relying on a combination of acquisitions and internal growth, Beatrice has accumulated more than 400 distinct operating units under its corporate umbrella. Of the ten business lines Beatrice uses in its reporting procedures, six pertain to food and related services, while four involved manufactured and chemical products.

With food-related businesses accounting for 73% of total sales in 1979 and 64% of pretax earnings, Beatrice considers itself the "country's largest food company."

The company's underlying growth strategy is to take products and product lines with strong brand names and expand their geographic distribution.

■ The company is widely recognized for its management acumen, and its successful corporate strategy has called for the conglomerate to maintain a low corporate profile while allowing its operating units a great deal of autonomy.

Though the corporate headquarters makes decisions on top personnel, performs financial and accounting functions, reviews all marketing decisions, and provides counseling and assistance when necessary, most operating decisions—such as advertising expenditures (within guidelines), themes, campaigns, and agency selections—are left to the individual operating units.

Considering its generally low corporate profile, some company observers were surprised when the company launched its first venture into corporate advertising in the spring of 1980. The print campaign was budgeted at just under $1,000,000 and has been running in the *Wall Street Journal*, *Institutional Investor* and *Barron's*.

While the ads are certainly aimed at drawing additional investment community interest in the company and increasing awareness of the company's enviable growth record, some observers point out that the advertising may also be intended to help clear any doubts that may have arisen following last year's highly visible and widely publicized dispute among the corporation's board of directors.

The conflict revolved around the question of who would succeed the outgoing ceo and the role of outside directors. Though the airing of directorial dissension proved to be an embarrassment to the company, analysts do not believe that the shake-up has had any significant effect on the operations of the corporation.

Despite continued flatness in per capita consumption of dairy products, Beatrice's dairy and soft drink operations managed to post a volume gain of 5% to $2 billion in 1979 and an earnings increase of 3% to $110,000,000. This enabled the dairy line to continue to be Beatrice's volume leader, though the dairy and soft drink operations for the first time slipped behind Beatrice's grocery operations to second place in earnings.

The dairy division's most prominent brand, Dannon yogurt, became the first yogurt to achieve national distribution when it began selling on the West Coast last summer. Dannon had previously announced that it would be going national in 1981, and the speeded-up timetable is seen as an effort to cash in on the advantage of being on the shelf first.

The newly entered California market may represent nearly one-fifth the nation's yogurt sales, but many analysts predict that Dannon will not find it easy to penetrate the market. Not only will distribution costs increase as the yogurt maker shifts from its strong base east of the Mississippi, but Dannon will also be facing tough competition from such firmly entrenched California companies as Knudsen Corp. and Beatrice's own Johnston unit, as well as such other newcomers to the western yogurt markets as General Mills and Foremost-McKesson.

Much of Dannon's marketing efforts during the coming year are expected to be concentrated on the California market.

The dairy and soft drink division has also been expanding its Viva low-fat products, its County Line cheeses and its Meinerz Italian cheese operations. Viva now accounts for 25% of Beatrice's U.S. dairy volume, up from 12% five years ago; Meinerz has opened a new production facility in California which is expected to provide more efficient service to West Coast markets; and County Line will be introducing several additions to its line of natural cheddar cheeses in the coming year.

Beatrice's grocery line enjoyed an exceptional year, with sales rising 27% to $1.2 billion and operating earnings jumping 38% to $114,000,000.

How to fancy up plain yogurt
DANNON
Dannon Plain Yogurt now in pints and half-pints.
Dannon.
The natural, lowfat, no starch yogurt.

Dannon yogurt pushes its unflavored variety.

Even though tight citrus supplies have kept Tropicana from doing any media advertising since the freeze of 1977, the citrus marketer accounted for 31% of the grocery division's sales and 50% of its earnings last year. The 1979-80 record citrus crop bodes well for Tropicana, which began advertising again in March, 1980, with an estimated $2,000,000 to $3,000,000 campaign. The three-month effort included television, magazine and newspaper advertising, as well as spots on Spanish radio in New York City and Miami.

Tropicana has doubled its production capacity and plans to add items for the institutional market this year as well as new flavors to its line of noncarbonated drink products.

■ The grocery division's La Choy and Rosarita ethnic food operations have also been expanding their offerings. La Choy, continuing to pursue its goal of becoming a full-line producer of Oriental foods, introduced a line on "boil in the bag" Oriental vegetables, and is developing other distribution channels to support its retail business. This includes an arrangement with an Ohio based Oriental fast-food chain for which La Choy is producing six specialty items.

Rosarita, Beatrice's largest Mexican food company, continued to expand from its southwestern base by adding distribution in five new Midwest markets. Rosarita also introduced eight new food products in late 1979, including canned whole and diced green chiles, three salsas, picanto sauce, taco shells and tostada shells.

Despite a strike at the Eckrich main distribution center last year, sales of Beatrice's specialty meats lines rose 5% to $689,000,000 last year, with earnings increasing 11% to $50,000,000. The strike kept Eckrich—which supplies two-thirds of Beatrice's specialty meats profits—from growing as much as it had hoped last year. During the last six years Eckrich has grown at an 8.5% compounded rate, far ahead of the industry's 1.5% growth rate.

Eckrich plans to resume its pattern of geographic expansion in the coming year, continuing to move out from its Illinois, Wisconsin, Ohio and Michigan base and toward growing southwest and southeast markets. Sales outside the four-state base area have tripled since 1972 and now account for 30% of Eckrich sales.

■ Eckrich currently markets its products in 27 states and holds a 5% market share nationwide, up from 3.3% in 1973. In its 27-state marketing area, Eckrich has a 10% share, double its share in 1973.

The planned Eckrich expansion will be supported by four new district facilities as well as by product line expansions and new packaging and flavor variations scheduled for the coming year. Eckrich conducts ongoing surveys with 2,500 homemakers every six months to test the taste, appearance, functional packaging and graphics of its products.

Beatrice's emphasis on adult-oriented items helped its confectionery and snack operations grow 12% in sales to $522,000,000 last year and increase its earnings 11% to $66,000,000 at a time when the rest of the candy industry had enjoyed little growth. The company also benefited from the fact that its products contain little or no chocolate and were not hurt much by the soaring cocoa prices.

The Fisher nut operations in the snack division expanded its television coverage from nine to 23 markets and introduced several new products. These included unsalted peanuts aimed at the diet-conscious audience, dry-roasted tavern nuts, and a sesame and peanut mix.

The Jolly Rancher hard candies unit introduced a new natural butterscotch peanut crunch into selected markets, stepped up its media campaign, and continued to expand its penetration into supermarkets.

The Clark candy operation withdrew its unsuccessful yogurt bar but introduced nationally a new Nutcracker candy bar.

With Samsonite continuing to benefit from the air travel boom, Beatrice's travel and recreation lines managed to overcome the disastrous performance of the Airstream recreational vehicle operations by posting a 3% sales increase to $513,000,000 and a 4% earnings increase to $48,000,000.

■ Samsonite introduced the Silhouette II last year, an updated version of its traditional hardside luggage that features a revamped interior, new frame and fashion-oriented colors. Samsonite also expanded its U.S. softside product line with a new high-fashion fabric called cocoa twill. Softside luggage now accounts for 36% of the company's domestic luggage business, and Samsonite introduced softside business cases last year to the Omega line of attache cases that it began in 1977.

Airstream continues to suffer as a result of rising gasoline prices and gasoline supply uncertainties and has been forced to close down two of its three production facilities.

Buxton men's and women's personal accessories also had some difficulties last year as its Bill Blass high-fashion line met with consumer price resistance. Buxton plans to deal with this setback by introducing lower-priced, fashion-oriented items under the John Weitz label to be marketed via catalog showrooms and discount channels.

In Beatrice's other lines of business:

• Housing and Home Environment operations dropped 7% to $530,000,000 with earnings sliding 48% to $22,000,000. Beatrice sold its Harmon-Kardon unit in October, 1979, and reached an agreement in principle to sell James B. Lansing Sound Inc. The company's Stiffel lamp unit, which manufactures high-quality lamps, reported volume increases for the first time in five years and is planning to introduce a number of contemporary lamps, a departure from its line of traditionally styled products.

• Food distribution and warehousing operations saw sales rise by 16% to $1.1 billion while earnings experienced an increase of 20% to $60,000,000.

• Agriproduct sales increased 18% to $461,000,000 and earnings rose 17% to $39,000,000.

• Institutional and Industrial sales grew 16% to $873,000,000 with earnings of $127,000,000, up 14%.

• Chemical and Allied Products operations had a record year, with sales rising 18% to $322,000,000 and earnings increasing 24% to $47,000,000.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$2,764,900	$2,717,100
Magazines	4,847,100	4,023,400
Farm publications	887,200	874,500
Spot tv	14,869,700	16,903,900
Network tv	5,576,000	5,565,800
Spot radio	2,037,500	3,221,300
Network radio	157,700	99,700
Outdoor	39,000	24,100
Total measured	31,179,100	33,429,800
Unmeasured	118,820,900	116,940,200
Estimated total	150,000,000	150,370,000

MARKETING PERSONNEL

Dairy Division

John D. Conners, exec vp, div president
Juan E. Metzger, vp, mgr-Dannon yogurt
Ralph Hallquist, dairy mktg mgr.
Harold Bogigian, adv director

Grocery division

Harry Niemiec, exec vp, grocery specialities,

confectionary & snack, bakery
Gordon Swaney, vp, asst genl mgr, grocery specialties division
William Burkhart, president, bakery division.

Confectionary & Snack Division

B. Robert Kill, div president

Soft Drink Division

William S. Mowry Jr., div president

Institutional Foods

T. Mackin Sexton, vp, div president

Specialty Meats

Joseph E. Quinlan, vp, div president

Consumer arts

James Weiss, div president
Thomas Mitchell, div exec vp

Leisure Products

James Weiss, exec vp
Norman M. Schneider, div chairman
Vernon Davidson, div president

Chemical Division

James Weiss, exec vp
Harry C. Wechsler, vp., div president

Agri-Products Division

Richard A. Walrack, div president

International Food Division

William W. Granger Jr., exec vp, intl foods
Anthony Luiso, vp div exec vp
Peter Brown, president-Australia & Far East operations
Andre J. Job., president-Latin American operations
Roland M. Binnington, president, Canadian dairy operations
Robert Drape, vp, president-European operations

ADVERTISING AGENCIES

A R & H Advertising, New York-Melnor Industries.

Arnold & Co., Boston-Market Forge (health care cooking and food service equipment).

Ayres & Associates, Lincoln, Neb.-The Snow Co.

Benton & Bowles, New York-Peter Eckrich & Sons.

Benton & Bowles, Chicago—The Stiffel Co.

Bozell & Jacobs, Minneapolis—Sauna Inc.

Chiat/Day, Los Angeles—Johnston Foods Co.

Colle, McVoy, Minneapolis—Sanna institutional.

Creamer Inc., Chicago—Charmglow.

Creamer, Dickson, Basford, Pittsburgh—The D. L. Clark Co.

Cummings/McPherson/Jones & Porter, Rockford, Ill.—Special Products div; Dell Food Specialties; Sanna industrial div.

Dailey & Associates—Rosarita Mexican foods.

Eibert Advertising, Waltham, Mass.—polyvinyl chemicals.

Eric Ericson & Associates, Nashville—Martha White Foods.

Fox, Sweeney & True, Denver—Meadow Gold Dairies, Seven-Up Bottling Co. of Denver.

Alex T. Franz Inc., Chicago—Culligan International.

Geisz & Rose Advertising, Los Angeles—Imperial Oil.

Garfield-Linn & Co., Chicago—World Dryer Corp.

Groff Advertising, Los Angeles—Jahn & Ollier.

Guerin, Johnstone & Gage, Los Angeles—Airstream Inc.

Hicks & Greist, New York—County Line Cheese.

Hoffman York, Milwaukee—Brillion Iron Works

J.M. Korn & Son, Philadelphia—Thomas D. Richardson Co.

Krupnick & Associates, St. Louis—Switzer Candy.

Mandabach & Simms, Chicago—Bloomfield Industries.

Marsteller Inc., Chicago—John Sexton & Co., Vogel-Peterson Co.

Marsteller Inc., New York—Dannon milk prods, Louis Sherry Ice Cream Co.

Martin Ruoss/Creative Group, Fort Lauderdale—Standard Dry Wall.

Meltzer, Aron & Lemen, San Francisco—Wells Mfg. Corp. (electric commerical restaurant equipment).

Fred A. Niles Marketing Systems, Chicago—Meadow Gold dairy div.

PGM Studios, Chicago—Chicago Specialty Mfg. Co.

PKG/Cunningham & Walsh, Chicago—Aunt Nellie's Foods, Beatrice Frozen Specialties, La Choy food prods.

Cochrane, Chase, Livingston & Co., Irvine, Ca.-Liken Home Furnishings.

Provandie & Chirurg, Boston-Buxton Inc.

Russell T. Gray, Inc., Chicago—Mid West Co.

Schram Advertising, Chicago—Home-Maker Industries, Smith Baldwin & Calbert, Gebhardt Mexican Foods Co.

Siegle, Schiller, Rolfs & Wood, Honolulu—Meadow Gold dairy div.

Stevens Inc., Grand Rapids, Mich.—Hekman Furniture Co.

J. Walter Thompson Co., New York—Samsonite (luggage).

Three Arts Inc., Cedar Rapids, Ia.—Virgortone Products.

Beecham Group Ltd.

	1979	1978
Sales*	**$2,300,000,000**	**$1,910,817,000**
Earnings*	**340,000,000**	**303,048,000**
Advertising	**46,704,500**	**27,656,500**

***Worldwide figures, converted to U.S. dollars.**

Beecham Group Ltd., Clifton, N.J., the 82nd largest national advertiser, spent an estimated $46,704,500 in advertising in 1979, a 69% increase from an estimated $27,656,500 in 1978.

This hefty increase reflects the support put behind Aqua-fresh toothpaste, Beecham's first new-product success in the U.S. in years. Moreover, Beecham's purchase last September of Jovan Inc., a Chicago-based fragrance marketer, added significantly to the total advertising spent.

The British-based company's estimated worldwide sales were $2,300,000,000 for the year ended March 31, 1980, a 20% increase over the $1,910,817,000 recorded the previous year. Earnings increased 12% to $340,000,000 from $303,048,000 over the same period. Although the company does not break out U.S. figures, sources said the U.S. divisions of Beecham had sales of about $290,000,000 in the year ended March, 1980.

Jovan, for which Beecham paid $85,000,000 in cash, had been showing signs of fatigue following a period of annual growth consistently above 20%. Industry observers speculated Beecham was gambling on Jovan's ability to recapture its growth momentum with a full line of toiletries and cosmetics.

- Beecham reportedly was not the first suitor for Jovan. Industry sources say Jovan had been flirting with other acquisition-minded consumer products companies for three years and had talked with Beecham for a year before reaching the agreement. Under the terms of the sale, Jovan's sales and marketing staff has been kept on and J. Walter Thompson Co. has remained the company's U.S. agency. While Beecham acquired 100% of Jovan's stock, Jovan and its Yardley of London division will continue to be run as an independent, wholly owned subsidiary.

During the past year Jovan became involved in litigation based on its alleged imitative practices. Revlon Inc., which announced in September that it was testing a line of purse-size fragrances called Perfumatics 2000 in four scents including night blooming jasmine, filed a suit against Jovan for its use of the name Night Blooming Jasmine on a cologne and perfume whose introduction was announced later in the fall.

Mem Co., which markets English Leather, has filed for preliminary injunction against Yardley's use of the trade name Yardley Leather on a product introduced in January. And Life Laboratories, which makes a body lotion called Oil of Life, filed (and lost) a motion for preliminary injunction against Jovan's use of the name Oil of Life for a body lotion it is introducing nationally. Life Labs, according to its attorney, plans to continue its legal battle with Jovan.

Among the fragrance company's top sellers are Jovan Musk, which does an estimated $35,000,000 volume (or 40% of sales) and received $241,000 in measured media backing in 1979, and the Jovan Nail Care kit, which received $70,200 in measured media backing. Another 25% of the company's sales is said to come from new-product introductions, an area in which Jovan is notably strong.

Jovan's Oleg Cassini fragrances for men and women, launched last fall, received media backing to the tune of $1,000,000 before year's end, and during the first six months of 1980 has been backed with at least that amount and possibly more, industry sources say.

"Are you kidding?
Switch toothpastes?
Lover boy here needs his fluoride paste."
Aqua-fresh
Double-protection Aqua-fresh
fights cavities and freshens breath.

Beecham's Aqua-fresh toothpaste print ad supports its television campaign.

As in 1978, the big product news for Beecham last year (besides Jovan) was Aqua-fresh, which received more than $20,000,000 in ad support, mainly in network tv. The agency for the quickly growing brand is Grey Advertising, New York.

- Among Beecham's other consumer products, meanwhile, those reportedly showing the best performance in the U.S. included Sucrets throat lozenges (also Grey), Cling Free fabric conditioner (Cunningham & Walsh, New York), Massengill disposable douche (Grey), Calgon water conditioner (C&W), Lancaster cosmetics (Shaller Rubin Associates, New York) and Vitabath bath gelee (Grey).

Cling Free, a former Merck & Co. product, received $5,602,000 in measured media support, with $5,499,800 spent in network tv.

The family of products that received the most combined support turned out to be the Calgon brand, which also came over in the Merck acquisition. Calgon bath oil beads received $1,382,000, of which $1,379,000 went to network tv and $2,200 to spot tv.

Calgon water softener was close behind with $1,339,300, most of which went to network tv. Calgonite dishwasher detergent accounted for $715,700, with $709,700 going to network tv and $6,000 to spot tv.

Other products that came over in the Merck deal also received a sizable chunk of ad support. Sucrets throat lozenges received $1,778,800, virtually all of it going to network tv. This was considerably less than the $3,000,000-plus that backed Sucrets the previous year. Hold, a brand that includes a cough drop and a liquid cough suppressant, got just about $1,000,000 in support, nearly all of it in network tv.

Massengill disposable douche received more than $2,000,000 in measured media support, almost all of it in network tv. Brylcreem, one of Beecham's anchor products, received $1,572,600 in support, including a $43,300 cash refund promotion that ran in magazines.

Other consumer products that received support, albeit at a lower level, included Fruit-Fresh food preservative, $448,300; 2nd Debut creams and lotions, $211,200; Vitabath bath gelee, $300,800, and Lancaster creams and lotions, $125,300.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	**$303,500**	**$189,700**
Magazines	**2,795,800**	**1,090,300**
Farm Publications	**366,600**	**353,500**
Spot tv	**6,361,900**	**3,886,300**
Network tv	**34,540,400**	**20,731,300**
Spot Radio	**479,300**	**305,400**
Total Measured	**44,847,500**	**26,556,500**
Unmeasured	**1,857,000**	**1,100,000**
Total	**46,704,500**	**27,656,500**

BEECHAM PRODUCTS DIV.

MARKETING PERSONNEL

L. W. Wilde, vp-mktg
R. F. Creighton, vp-mktg services
R. M. Lancaster, vp-sales

JOVAN INC.
YARDLEY OF LONDON INC.
BEECHAM COSMETICS
LANCASTER COSMETICS

MARKETING PERSONNEL

R. E. Meyer, president
B. A. Shipp, exec vp
W. L. Henderson, vp-sales, Jovan
T. Measday, vp-gen mgr, Yardley
J. Small, vp-sales, Yardley
C. Archer, nat sales mgr. Beecham Cosmetics
A. Kessler, vp-mgng director, Lancaster

BEECHAM LABORATORIES DIV.

MARKETING PERSONNEL

M.M. Jones, vp-sales & mktg
P. A. Sells, veterinarian mktg mgr
T. Harrison, mktg mgr
T. G. Wood, sales director

ADVERTISING AGENCIES

Grey Advertising, New York — Sucrets, Hold, Calgon bath prods, Aqua-fresh, Massengill, new prods.

Cunningham & Walsh, New York—Calgon water conditioner, Calgonite, Cling Free, Macleans, Fruit-Fresh, Brylcreem, new prods.

Shaller Rubin Associates, New York—Lancaster cosmetics, 2nd Debut, Vitabath.

Frank J. Corbett Inc., Chicago—ethical pharmaceuticals.

Charles Tombras & Associates, Knoxville—veterinary pharmaceuticals.

J. Walter Thompson Co., Chicago—Jovan cosmetics and perfumes.

Borden Inc.

	1979	1978
Sales	**$4,312,533,000**	**$3,802,559,000**
Earnings	**134,015,000**	**135,827,000**
Advertising*	**38,958,600**	**50,000,000**

***Estimated by AA**

Borden Inc., Columbus, O., the 91st largest U.S. advertiser, reduced advertising expenditures this year from $50,000,000 in 1978 to $38,958,600 in 1979, a 22% decrease in spending.

Although sales increased by 13% to $4.3 billion in 1979, earnings dropped slightly—1%—to $134,015,000.

In the previous year, sales had increased by 9.2% over 1977 and earnings similarly had increased 7% over 1977's high of $126,870,000.

Total expenditures in measured media were $26,258,600, a $10,000,000 reduction compared with 1978. Although no single product received more than $2,500,000 in advertising support, major expenditures included $2,430,400 for Lite-Line cheese (mainly in network tv), $2,348,100 for Borden's milk (mainly in spot tv), $2,070,200 for Wonder Bond glue (exclusively in network tv).

Over $1,000,000 was spent on advertising Skim American cheese ($1,784,200), Krylon spray paints ($1,744,400), Borden's ice cream ($1,402,200), Wyler's lemonade crystals ($1,364,700), Eagle Brand condensed milk ($1,359,500), Cracker Jack ($1,344,400) and Kava instant coffee ($1,331,200).

Percentage of total sales from the four divisions was exactly the same as the year before: 28% from both the foods and dairy services divisions; 24% from the chemical division; and 20% from the international division. Each of the four divisions is around the $1 billion mark in annual sales.

- According to a statement by chairman Eugene J. Sullivan, Borden will position itself "more firmly" as a consumer goods and specialty chemicals company in the '80s. He anticipates changes in product mix and possible changes in geographic areas of operation as well as more aggressive new product development and marketing.

At $1.2 billion, dollar sales for Borden Foods were up 13.2% in 1979. Grocery and cheese product groups, which jointly account for about half the divisions total dollar volume, were converted from direct to all broker sales forces last year.

Creamettes pasta line, in its first year under Borden, gained in sales and income as the company executed market extensions and intensified penetration into existing markets.

Last year, Borden spent $113,600 supporting Creamettes macaroni products in measured media ($84,700 in spot tv and $28,900 in magazines). An additional $107,500 was spent in magazines on Creamettes macaroni and Veg-All canned vegetables tie-in.

Eagle Brand sweetened condensed milk, the company's original product, had another record year. Major consumer promotions focused on use in candies and desserts.

- Wyler drink mixes stabilized after years of deteriorating market position and Wyler bouillon made gains in volume and profits, retaining its position as the nation's No. 1 brand bouillon.

In August, 1979, Borden reentered controlled store tests in Fort Wayne and Chattanooga, with a reformulated, repackaged ReaLemon lemonade powder drink mix. Tv spots touted a "100% natural flavor, no artificial colors, no preservatives." The product met with more success than it had two years ago in upstate New York and, earlier this year, the company expanded distribution into two-thirds of the country, including the East and West Coasts. The expansion was backed by tv and print ads.

Bama jams, jellies and preserves experienced further market shrinkage due to intense competition and decline in breakfast at home, according to the company. Bama jellies and preserves was given $24,200 worth of support in magazines and $84,600 was spent on tv commercials for Bama pies.

Snow's seafood canning operations improved volume dollar sales and profits over the previous year and cut overhead costs by reducing the size of its clam boat fleet. Spot tv ads costing $340,900 were aired for Snow's canned chowder.

- Although the cheese products group reported record sales, profits fell sharply due to erratic pricing and oversupply that triggered price decline, according to the company. An improved share of the national cheese market is credited to Lite-Line and Skim American diet/health cheese products.

Borden's snack group (Wise potato and corn chips) had record dollar sales volume and profits, with increased market penetration and market expansion. The group acquired Buckeye Potato Chip Co., Columbus, O., in February, 1979, and Guy's Foods Inc., Liberty, Mo., in August, 1979, using these distribution networks for rollout of Bravos Tortilla Chips. This year it bought Dallas-based Morton snack foods.

Advertised exclusively on spot tv, Wise Lights potato chips and Wise snacks in general were supported with $192,500 and $2,500, respectively. Wise potato chips were supported with spot tv ($752,600) and outdoor ($43,000). Over $991,000 was spent on Bravos tortilla chips in spot tv.

- The bakery group, which is known to consumers under the Drake brand name, increased sales and profits, although some items were downsized and the count in multi-unit packs was reduced, reportedly due to rising costs of ingredients, labor and distribution. Using spot tv exclusively, Borden spent $3,300 and $226,600, respectively on Drake bread and Drake cakes.

At the conclusion of last year's third quarter, the company blamed lower operating income from the confectionary and bakery operations in conjunction with new product ad and promo expenses for a slight decline in operating income for the foods division.

Earlier this year, the company announced a $6,000,000 multimedia campaign for Cracker Jack, including $500,000 worth of "super" prizes in 57,000 boxes of the snack food. Prizes reportedly will range from a Mazda station wagon filled with Mattel toys and games to tricycles and other toys. Advertising plans included newspaper supplements and tv spots highlighting the super prize promo or the company's "America's great fun family snack" theme (AA, Jan. 28). The company currently is running commercials featuring kids who are "Cracker Jack" at roller skating, water skiing, etc.

Expanded use of Elsie the Cow and designation of Borden's milk as the "official milk of the 1980 Winter Olympic Games" are parts of the marketing effort by the dairy & services division. For its Olympic t-shirt offer, Borden contributed $1 of the $3.50 purchase price to the Olympic team.

In conjunction with expanded use of Elsie, the company plans a reversal of its longstanding policy of limited ad spending for the dairy division. According to Thomas Hagerty, the dairy division's vp-marketing, the Olympics promo with Elsie is a "springboard" for a much larger corporate campaign for this year, using Elsie as the central character.

▪ In the seventh consecutive year of growth, the dairy & services division increased sales 12.4% over the previous year. Higher sales reportedly reflected substantially higher selling prices on slightly greater volume. Cultured products showed the best market share improvement for the division as Borden Kitchens developed a series of 16-page New Idea books on cottage cheese, yogurt and sour cream. About 20,000,000 books were distributed.

The division also completed rollout of Borden All Natural ice cream and introduced, in selected markets, Borden All Natural ice milk.

▪ Like the dairy & services division, Borden's chemical division recorded generally higher prices on slightly higher volume. For the first time, sales topped the $1 billion mark, up 10.4% over 1978.

Borden International also had a record year in sales, 18.8% above 1978 ($890,000,000). Sales volumes rose in Latin America. European operations were at an all-time high. Sales and profits were at record levels in Canada. And, in Asia, Borden entered a new market with the formation of Korea Borden Inc., a joint venture to provide feed supplements for milk calves, pigs, etc.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$1,123,800	$4,685,500
Magazines	4,504,400	3,320,400
Farm publications	268,200	299,800
Spot tv	7,710,700	10,613,200
Network tv	10,963,700	13,110,200
Spot radio	234,400	3,994,000
Network radio	1,331,200	410,100
Outdoor	122,200	35,200
Total measured	26,258,600	36,468,400
Unmeasured	12,700,000	13,531,600
Estimated total	38,958,600	50,000,000

FOODS DIVISION

MARKETING PERSONNEL

James D. Milligan, president
Jon G. Hettinger, president, grocery prods div
John Nugent, senior vp-mktg, Creamette Co.
Ronald Kesselman, senior vp, grocery prods div
John Dix, vp-mktg, grocery prods div
Lee Arst, vp-mktg, refrigerated div
John Wilcha, vp-mktg, Drake Bakeries
George Waydo, president, snack foods
Rodney Russell, director mktg services
Frederick Schindler, mgr of adv

ADVERTISING AGENCIES

Doyle Dane Bernbach, New York—Bama Foods, Wyler's iced tea, ReaLemon, Snow prods, Wyler's drink mixes—Bruce Beach, mgmt super.

Grey Advertising, New York—Cremora coffee lightener, Eagle brand condensed milk, cheese prods, Cracker Jack, Flavor House nuts, Deran candies, Snow's prods, None-Such, Wyler's soups & bouillon—Stewart Hegleman, mgmt super.

Bozell & Jacobs, New York—Drake Bakeries, Wise snacks, Old London snacks, Kava instant coffee –Paul Tully, mgmt super.

Caldwell/Reingold Group, New York—military sales—Harry Reingold, mgmt super.

CHEMICAL DIVISION

MARKETING PERSONNEL

R. W. Gutheil, president
T. O. Doggett, group vp-consumer prods
H. J. McCormick, gen mgr, consumer prods
David Gordon, vp-mktg, Columbus coated fabrics, industrial and automotive
R. T. Paul, vp-mktg, Columbus coated fabrics, wall coverings
Richard Lockman, president cosmetics & toiletries
C. C. Braun, president, Smith-Douglas' agri-chemicals
C. A. Matzen, gen mgr, molded products

ADVERTISING AGENCIES

Conahay & Lyon, New York—Elmer's adhesives, Krylon aerosol products, Lustro-Ware household products, Mystik tape, Wall-Tex wall coverings—T. O'Connor, acct super.

Al Paul Lefton Co., New York—Jean Patou's Joy, Caline Moment Supreme perfumes—Bill Wolfston, acct super.

Chesapeake Advertising, Norfolk, Va.—Smith-Douglass fertilizers, agricultural chemicals—R. I. Stiffler, acct super.

Lord, Sullivan, Yoder, Marion, O.—Columbus coated fabrics industrial film products—Bob Sullivan, acct super.

DAIRY & SERVICES DIVISION

MARKETING PERSONNEL

Marvin J. Herb, president
Thomas Hagerty, vp-mktg
Charles Craft, mktg mgr, milk prods
John Rutan, mktg mgr, cultured prods
Bill Webb, vp-natl accts
G. Castellani, director, packaging

ADVERTISING AGENCIES

Della Femina, Travisano & Partners, New York—ice cream and milk prods—Bruce Johnson, acct super.

Ruben, Montgomery & Associates, Indianapolis—Pepsi-Cola Bottling Co., Indianapolis—Robert Montgomery, acct super.

Milton Bradley

	1979	1978
Sales	$360,059,605	$259,961,810
Earnings	29,918,254	20,258,447
Advertising	31,328,000	22,538,000

Milton Bradley, Springfield, Mass., the 98th largest national advertiser, increased its domestic advertising 39% in 1979, to $31,328,000.

Sales for the year also increased 39%, as strong electronic game sales combined with "substantial" nonelectronic toy gains and strong European subsidiary sales. Earnings increased 48% over 1978.

Every domestic division and subsidiary contributed to the sales and earnings increases for the year, except South Bend Toy Co. which has experienced losses for the past two years. Toys accounted for 95.5% of net sales in 1979. Corporate sales of electronic games and toys for 1979 were $117,131,000, or 33% of total sales, compared with 19% for 1978. The company markets products under the trade names "Milton Bradley," "MB," "MB Electronics," "Playskool," "South Bend," "E.S. Lowe" and "New England School Supply."

Of the $31,328,000 spent on advertising in 1979, $22,069,000, or 70%, was placed in television, primarily spot tv. In 1978, 73% of Milton Bradley's total ad expenditures went to tv.

▪ MB Communications Inc., a subsidiary, has for the last five years supplied all national, regional and local advertising for all domestic divisions and Milton Bradley subsidiaries.

In 1977, the company introduced two games, Comp IV and Electronic Battleship, which contain electronic components (microprocessors) and are battery powered. With the introduction in 1978 of Simon, a memory-testing game, and Starbird, a toy spaceship, electronic games and toys became a "significant part" of the toy product segment. Introductions in 1979 include Big Trak, a toy vehicle with a programable course; Microvision, a hand-held device with a liquid crystal display screen on which programed games may be played, and Intruder and Avenger, variations of the Starbird spaceship.

M-B's fastest growing segment, the electronic games division, spent just under $4,000,000 on spot tv buys in 1979, according to Leading National Advertisers.

Milton Bradley was among the electronic marketers hit by silicone chip shortages in 1979, causing delays in marketing some items, sales losses and price increases. As a result, the company has decided to assemble electronic modules and study the feasibility of producing its own circuit boards and printed keyboards.

The company believes 1980 sales of nonvideo electronic games and toys will increase 25% to 40% over 1979, and that by the mid-1980s, electronic games and toys, both video and nonvideo, which also appeal to adults, could represent 50% of the total toy industry sales in the U.S.

For 1980, the electronics unit plans heavy tv support for the Super Simon and Pocket Simon extensions of its Simon best-seller, plus strong backing for Milton, Plus, its Microvision handheld game (with eight cartridges, two of them new in 1980) and the Omni Entertainment System programed with 12 cartridges. Coleco Industries puts its electronic volume ahead of Milton Bradley, but behind Mattel Toys.

▪ In nonelectronic toys, Milton Bradley spent more than $13,000,000 in network and spot tv advertising to promote its diversified line of more than 170 games and puzzles for adults and children, including Battleship, Stratego, The Game of Life, Chutes & Ladders, Candyland, Hangman and Twister.

E.S. Lowe games received just under $2,000,000 in spot tv backing in 1979, according to LNA. Focusing on family games, the division manufactures backgammon, cribbage and chess sets. This year, it will ad Jackpot Yahtzee to the highly successful Yahtzee, Triple Yahtzee and Challenge Yahtzee games.

▪ The Plyskool subsidiary in Chicago manufactures and sells toys designed for infants, toddlers and children at preschool and primary grade levels. Its brand-name products include Lincoln Logs and Bristle Block. In 1978, Playskool introduced its first electronic toy, Alphie. In 1979, Playskool brought out Star Rider, the space age sit-on toy, and Major Morgan, a hand-held electronic musical instrument for children ages 6-to-9. According to LNA, the division spent over $7,000,000 in advertising via consumer magazines (*Family Circle*, *Good Housekeeping*, *American Home*, *McCall's* and *McCall's Working Mother*) and network/spot tv (with CBS' "Captain Kangaroo" its main vehicle). Most heavily advertised for 1980 will be Bristle Blocks, Fetch-It Freddie and Gilligan's Island Bath Toy.

▪ Through its South Bend Manufacturing Co. subsidiary, South Bend, Ind., the company markets toys such as Li'L Lady Buggy stroller, Li'L Lady Bug Dolly chair and various doll carriages. As a result of past losses, the division will retrench to a more limited line of crafts and doll accessories, and maintain its doll carriage and stroller lines.

During the year, some major executive appointments were made. John W. O'Donnell was elected to the post of exec vp of the company, succeeding Vincent G. Martin who retired in May. Charles J. Weinscheier, formerly president of Tonka Toys, was named president of Preskool and Richard Thompson, previously regional director-Europe for Warner-Lambert, was named exec vp-general manager of Milton Bradley International.

ADVERTISING EXPENDITURES

	1979	1978
Magazines	$ 817,000	$ 742,000
Spot tv	25,52,000	16,226,200
Network tv	775,100	602,000
Total Measured	26,644,100	17,570,200
Unmeasured	4,683,900	4,967,800
Total	31,328,000	22,538,000

MARKETING PERSONNEL

MB Communications Inc.
Springfield, Mass.

John V. Payson, exec vp-gen mgr
George H. Merritt, vp-pr director of operations
Edward Radding, vp-media services.

ADVERTISING AGENCY

MB Communications (house agency), Springfield, Mass.

Bristol-Myers Co.

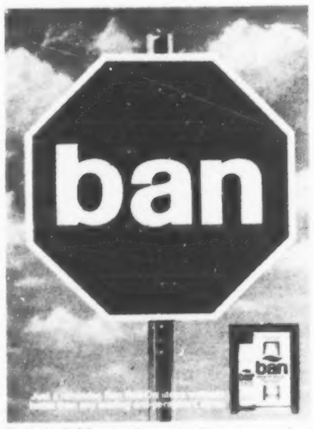
	1979	1978
Sales	$2,752,777,000	$2,450,429,000
Earnings	231,545,000	203,048,000
Advertising*	210,600,000	192,850,000

* U.S. only, AA estimate

Bristol-Myers Co., New York, the 12th largest national advertiser, is estimated to have spent $210,600,000 for domestic advertising in 1979, an increase of 9% over the 1978 figure.

The company reported worldwide advertising and product promotion expenses of $457,623,000 for 1979, up slightly from $423,270,000 in 1978.

For the first half of 1980, B-M reported $1.528 billion in sales, 16% ahead of the previous year, and net income of $122,670,000, or 19% better than the '79 first half. Earnings growth was led by the international division, despite the unfavorable effects of foreign exchange losses. All domestic segments were well ahead of the first quarter of 1978.



Bristol-Myers' eye-stopper print ad for its top-selling roll-on anti-perspirant, Ban.

These results followed record sales set in 1979, when worldwide revenues rose 12% to $2,752,000,000 while net earnings were up 14% to $231,545,000, the same percentage increase as the previous year.

▪ Volume increased in all areas—nonprescription health care, domestic consumer businesses and the international division. Higher yields on investments and the gains realized on the sale of the company's Camargo Foods subsidiary helped raise net income.

Bristol-Myers comprises four main business segments—pharmaceutical and medical products, toiletries and beauty aids, nonprescription health products and household products.

▪ Pharmaceutical and medical products remained the largest segment, as sales increased by 15% in 1979 to $945,954,000, while profits increased by 12% to $176,558,000.

Prescription medicines, mainly antibiotics, make up approximately 60% of the segment's sales. Other products include cardiovascular and anticancer drugs, orthopedic implants, surgical instruments and other pharmaceutical, medical and dental items.

The continued growth of the international antibiotic market, the company's strong performances in the domestic anticancer drug market and excellent gains in the worldwide markets for medical and dental products all contributed to the growth of the segment in 1979.

▪ In 1980, Bristol Laboratories, the company's main center for cancer research, plans to file new drug applications for two anticancer drugs, etoposide and teniposide. The Mead Johnson pharmaceutical division also plans to introduce two other anticancer drugs this year called Cyfos (ifosfamide) and tegafin.

Klotrix, a controlled-release potassium chloride tablet in the potassium supplement market, has received FDA approval and is now in the market. The company's already popular K-Lyte potassium supplement line registered strong sales increases in 1979.

Mead Johnson also introduced Tri-Vi-Flor with iron in late 1979 for use as a supplementary fluoride, vitamin D and iron nutrient for breast-fed babies. In addition, Mead Johnson came out last year with Enfamil Premature Formula with whey protein which consolidates all the nutritional needs of low birthweight infants.

▪ In 1979, Zimmer-U.S.A., one of three B-M health care divisions, achieved substantial gains. During the year, the Food & Drug Administration cleared the division's electrical Zimmer Direct Bone Growth Stimulator, designed to promote regrowth of broken bones by stimulating the bones with direct electrical current.

Through its Aspen labs subsidiary, Zimmer acquired Xomed, a leading manufacturer of middle ear implants, middle ear ventilation tubes and disposable drapes and drills, thereby placing the company into the expanding electrosurgery field.

Unitek, which joined B-M in 1978, set new sales records in 1979. During the year, this leading manufacturer of orthodontic and dental materials acquired Professional Positioners, a manufacturer of orthodontic positioners and retainers. In the dental equipment field, B-M's Pelton & Crane achieved good sales in dental chairs and lights.

▪ Toiletries and beauty aid sales increased 11% in 1979 to $857,852,000 compared with a 3% rise in 1978. Profits rose 6% to $127,942,000.

The Clairol division remained atop the hair color products category with more than half the market share. However, the division has continued to see pressure from competitive brands such as L'Oreal.

Hair product sales were up in 1979 because of substantial sales increases of Condition shampoo and Condition II after shampoo treatment. In mid-1979, Clairol also acquired Sea Breeze Labs, a manufacturer of skin care products.

Clairol beauty products and appliances were backed with nearly $50,000,000 in measured ad support, primarily in network tv. Clairol Condition* shampoo had the largest budget, $6,500,000, of which $5,800,000 went to network tv, with the remainder going to spot tv.

▪ Other products receiving substantial measured ad support included Clairesse hair color with $6,400,000; Nice & Easy hair color, $6,250,000; Loving Care hair color lotion, $4,900,000; Miss Clairol Color shampoo, $4,100,000; Herbal Essence shampoo; $2,900,000, Condition Beauty Pack treatment, $1,900,000; Frost & Tip hair kit, $1,066,600; Condition* shampoo and Condition* II conditioner,

MARKETING PROFILES

Top 25 newspaper advertisers

Rank	Advertiser	Expenditures 1979	Expenditures 1978
1	R.J. Reynolds Industries	$87,991,632	$61,093,436
2	General Motors Corp.	69,870,570	46,702,868
3	Philip Morris	59,702,529	52,013,737
4	Loews Corp.	53,664,794	26,666,500
5	Ford Motor Co.	32,328,791	27,209,744
6	British American Tobacco Ltd.	25,333,117	16,532,063
7	Chrylser Corp.	22,765,274	15,819,958
8	RCA Corp.	22,644,584	19,143,498
9	American Brands	21,102,399	18,355,332
10	Delta Airlines	18,117,036	16,156,072
11	Seagram Co. Ltd.	16,820,796	8,031,583
12	American Telephone & Telegraph Co.	14,951,425	12,090,295
13	CBS Inc.	13,676,438	14,842,633
14	UAL Inc.	13,315,492	13,363,724
15	American Airlines	12,878,442	10,279,021
16	Eastern Air Lines	12,568,343	11,277,369
17	Trans World Airlines	11,005,184	11,224,416
18	ABC Inc.	10,891,746	10,167,481
19	Procter & Gamble	10,030,821	8,559,445
20	General Foods Corp.	9,904,143	8,240,943
21	General Electric Co.	9,130,156	9,002,571
22	Liggett Group	8,909,674	18,994,769
23	Toyota Motor Co. Ltd.	8,487,475	8,367,152
24	Nissan Motor Corp. Ltd.	8,392,673	4,365,853
25	Braniff International Airlines	7,914,813	6,660,633

Source: Media Records.

$1,000,000, and Crazy Curl hair styler, $925,000.

■ Once again, the Clairol appliances division set new sales records, led by its Hairsetter, which was supported with $560,000 in media support. The Foot Fixer massager also continued to expand in sales with measured media support of $1,000,000. The Hand Held dryer was backed with $1,900,000 while Skinvention and Tender Tweez Tweezer were backed with $650,000 and $500,000, respectively.

In the Bristol-Myers products division, Ban, Ultra Ban and Tickle held about 20% of the $594,000,000 deodorant/antiperspirant market, with Ban accounting for a market share of more than 14.5%.

Last year, the company introduced Ban soap in test markets as it aimed for a piece of the deodorant soap market dominated by Procter & Gamble's Ivory, Safeguard, Camay and Zest, and Armour-Dial's Dial. Toilet soaps over-all are a $650,000,000 business at retail. Ban is now out of test market, but the company said plans to introduce it nationally have not been completed.

Ban deodorants and antiperspirants received total ad support of $13,000,000 compared with $8,700,000 in 1978. Ban roll-on deodorant received the biggest chunk with $7,300,000, of which $6,600,000 went to network tv.

Tickle roll-on antiperspirant received $5,640,000 in measured ad support, primarily in network tv, while the Ultra Ban line received only $45,000, a huge drop from the $2,000,000 recorded in 1978.

Other B-M toiletries and beauty aids receiving major ad support were Body-On-Tap Beer Enriched shampoo, with $9,150,000 mostly in network tv, and Vitalis Super Hold, with $2,000,000.

■ The nonprescription health care segment posted a 13% increase in sales over 1978 with an estimated $646,264,000, while profits increased 17%, the highest improvement of all the segments, to $124,106,000. Leading gains were reported in worldwide nutritional product sales, and Westwood Pharmaceuticals improved profit returns after a substantial earnings decline in 1978.

B-M's Bufferin, with about 10% of the $744,000,000 analgesic market, received ad support totaling $14,700,000, of which $11,000,000 went to network tv.

The Excedrin line received $16,900,000. While Excedrin PM got $3,900,000, Excedrin X Aspirin Free got $39,300 and Excedrin, $12,000,000. Most of the advertising was on network tv.

Comtrex, B-M's new cold remedy, carved out a 10% share of the market by the end of 1979. The cough and cold liquid and tablet remedy received more than $7,800,000 in ad support.

Other nonprescription items that received substantial media support were Congespirin children's cold liquid and tablets, with $1,343,000, and 4-Way Long Acting nasal spray, with $2,800,000.

The household products segment reported a 7% sales increase to $303,813,000, while profits were down 5% to $36,051,000. In 1979, B-M's Drackett products maintained leading market shares with Vanish bowl cleaner, Drano drain opener and O-Cedar handle goods.

Ad expenditures for the Vanish line were $7,000,000, of which $3,000,000 went to Vanish toilet bowl freshner, $2,000,000 to Vanish crystal bowl cleaner and $1,900,000 to Vanish automatic bowl cleaner.

Windex' budget was $4,854,000, of which $3,500,000 went to network tv. The O-Cedar line of brooms and mops received $1,500,000, while Drano liquid and powder drain products received $4,029,000. Endust spray was backed with $1,911,000, and Behold spray furniture polish received $2,331,000.

Other household products receiving substantial media support in 1979 were Handle With Care liquid wash with ad support of $3,522,000, Miracle White Super cleaner with $2,123,000 and Mr. Muscle spray oven cleaner with $1,240,000.

For Bristol Labs, strong increases were reported for its two major hospital antibiotics, Amikin and Cefadyl. A major development was the successful introduction of Platinol, a chemotherapeutic agent for the treatment of certain types of cancer.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	**$ 2,320,600**	**$ 762,400**
Magazines	**19,849,200**	**23,761,500**
Farm publications	**291,500**	**—**
Spot tv	**23,650,400**	**17,073,600**
Network tv	**116,987,000**	**110,341,400**
Spot radio	**1,054,400**	**4,006,000**
Network radio	**437,400**	**—**
Total measured	**164,590,500**	**155,944,900**
Unmeasured	**46,009,500**	**36,905,100**
Estimated total	**210,600,000**	**192,850,000**

CORPORATE MARKETING PERSONNEL

Marvin Koslow, vp, mktg services
Harry Levine, vp, corporate communications
Robert L. Turner, director-media & programing services
Richard J. Glossman, assoc director-media & programing services
Santo A. Critelli, director-Boclaro
Marion A. Klein, director-corporate rsch services
William Liptack, Leo Hofmann, Alan Yoblon, assoc directors
Richard Tulimieri, Jack Sinnott, mgrs

BRISTOL-MYERS PRODUCTS DIVISION

MARKETING PERSONNEL

Frank K. Mayers, president
Joseph Kelnberger, exec vp
Robert P. Viarengo, senior vp
Peter D. Orahovats, vp-scientific
Walter R. McCurdy, vp-sales
John J. Sheedy, vp-marketing
Nicholas Cannistraro Jr., vp-health care
Melvin D. Harbinger, mktg resch director
Edward J. Meyer, vp-personal care
Joseph J. Morano, vp-sales promo/merch

ADVERTISING AGENCIES

Needham, Harper & Steers, New York—4-Way nasal spray, Congespirin cold tablets and cough syrup for children, NoDoz—Phillip V.G. Wallace, senior vp; Roy Lancaster, acct super.

Ted Bates & Co., New York—Bufferin, Arthritis Strength Bufferin—Mel Elbaum exec vp; Richard Mullan, vp mgmt rep; Richard Sawyer, vp-acct director.

Daniel & Charles, New York—Ban line, Ultra Ban line, Excedrin PM, Comtrex, Ammens, Ban Super Solid, Datril—Martin Smith, exec vp; Bonnie Piven, senior vp; George Biava, acct super.

Doyle Dane Bernbach, New York—Tickle—John Leonard, group senior vp; Rein Luik, senior vp, mgmt. super.

Polykoff Advertising, New York—Body-on-Tap—Al Lowan, mktg super.

Lois, Pitts, Gershon, New York—Vitalis line—Patrick Colan, vp, mgmt super; George Lois, chairman-creative director.

Kenyon & Eckhardt, New York—Excedrin—John Horne, senior vp, mgmt rep.; James Heeken, vp-acct super.

CLAIROL PRODUCTS DIVISION

MARKETING PERSONNEL

Donald J. Shea, president
Robert Oppenheim, president—Clairol salon div
David N. Ruckert, vp-mktg, hc&t div
Donald J. Harkness, vp-sales, hc&t div
Harold T. McMenamin, vp, mktg services, hc&t div
Mary Grace Hannon, director, mktg planning & rsch dept
Thomas L. Hogan, senior director, adv develop, hc&t div
William R. Jones, director, purchasing packaging services
Mel Josephs, director, mktg salon div
Jack Shor, vp, pr

ADVERTISING AGENCIES

Doyle Dane Bernbach, New York—Final Net, Nice 'N Easy, Sea Breeze, Happiness, Power Pal—Milt Harkrader, senior vp, mgmt super; Dean Proctor, vp, director of sales merch; Steve Kutler, vp, acct super; Barbara Monte, vp-acct super.

Foote, Cone & Belding, New York—Born Beautiful, Frost & Tip, Herbal Essence, Loving Care, Miss Clairol, Silk & Silver, I Like My Gray—Alan Klein, senior vp, group mgmt super; Joe Froschl, vp mgmt super; Andre Smith, Janet Sylie, Danny Khosravani, acct supers.

Ogilvy & Mather, New York—Condition*, Condition* shampoo, Condition*II—Shelly Lazarus, mgmt. super; Melanie Kusin, acct super.

Wyse Advertising, New York—Clairesse—Lois Wyse, president; Gary Bowen, vp-acct super; Robert Grossman, acct exec.

CLAIROL APPLIANCE DIVISION

MARKETING PERSONNEL

C. Benjamin Brooks, president
Peter J. Spengler, senior vp
Alan Fink, vp-mktg
Susan J. Taylor, vp-mktg
Ben S. DeYoung, director—new health & personal care products

ADVERTISING AGENCIES

DKG Advertising, New York—Body Language, Nail Works, Plak-Check, Sonic Scrub—Collin Probert, senior vp, mgmt super; Jack Maged, acct super.

Foote, Cone & Belding, New York—Foot Fixer, Hairdryers, Hairsetters, mirrors, curling irons, Skinvention, Skin Machine—Ted Williams, corporate mgmt super; Ann Gaillard, Chip August, acct supers.

Ted Bates & Co. Inc., New York—Panic Button, Tender Tweeze—Dick Mullan, senior vp, mgmt rep; Nancy Astwood, acct. exec.

BRISTOL LABORATORIES

MARKETING PERSONNEL

Julius L. Pericola, president
Gary P. Gibson, vp-mktg
Marvin C. Lemons, vp-sales
Alan R. Foy, group director-product mktg
James E. Rurka, group director-product mktg
Roy S. Bernardi, manager, adv/promo services
Ramesh L. Ratan, director, mktg finance
J. McAuliff, gen mgr, vet operations

ADVERTISING AGENCY

Sieber & McIntyre, Chicago—Tegopen, Salutensin, Stadol, Prostaphlin, Blenoxane, Mexate, Mutamycin, Platinol, CPE division—Fred Fitzsimmons, Steve Freeman, mgmt supers. Mike Swidler, Terry Lee, Donna Small, acct supers. Linda Basnik, Tam Deplewski, acct coordinators.

WESTWOOD PHARMACEUTICALS

MARKETING PERSONNEL

Wilfred J. Larson, president
Harland A. Wyvell, director, sales
Jeffrey B. Marsh, vp-mktg

ADVERTISING AGENCY

Frank J. Corbett Inc., Chicago—Alpha Keri, Fostex, Sebulex, Keri lotion, Pernox, PreSun, Westcort, pharmaceuticals to physicians—John Burns, acct super.

PELTON & CRANE

MARKETING PERSONNEL

Kenneth R. Ferguson Jr., president
James L. Smith, mgr, mktg services

ZIMMER USA

MARKETING PERSONNEL

Thomas H. Hughes, president
Phillip K. Cornett, vp-mktg
Jane Norton, director, mktg services

BRISTOL-MYERS CO. INTERNATIONAL DIVISION

MARKETING PERSONNEL

Flavio Tomassini, president

DRACKETT CO.

MARKETING PERSONNEL

Nicholas M. Evans, president
J. R. Hughes, senior vp-mktg
Winston Weber, vp-sales
John C. Hassan, mktg director
Dominic L. LaRosa, mktg director
James W. Perkins, mktg director
C. G. Brown, director, mktg mgmt services
R. Jay Uhlmansiek, director, adv services
Peter Platow, new prod devel director

ADVERTISING AGENCIES

Daniel & Charles, New York—Mr. Muscle, Mutrament Line, new products—Martin Smith, Joe Davis, mgmt supers; Bonnie Piven, acct super.

Grey Advertising, New York—Windex, Behold, Vanish, Drano—Art Rosen, mgmt super; Fred Milman, Hugh Busby, acct supers; Dave Amedure, acct exec; Gladys Frankel, asst acct exec.

James Jordan Inc., New York—Miracle White super cleaner, Miracle White bleach, Renuzit solid, new products—Jack Taylor, president and senior mgmt super; Niel Tergesen, mgmt super; Ann Arbythnot, asst acct exec.

Marschalk Co., New York—Endust, new products—Tony Wainwright, mgmt super; George Ruthauser, acct super; Frank Brooks, acct exec.

Arthur E. Wilk Advertising, Chicago—O-Cedar handle goods, Scurbee pads—Art Wilk, mgmt super; Rick Kaplan, acct super; Marian Mitchell, acct exec.

MEAD JOHNSON & CO

MARKETING PERSONNEL

Wayne A. Davidson, president

Mead Johnson Nutritional Division

W. Richard Kern, president
Winthrop W. Hamilton, vp-nutritional mktg
Donald E. Leslie, vp-mktg services
Willette J. Braasch, adv director

Mead Johnson Pharmaceutical Division

Doanld G. Harris, president
Fred M. Brubaker, vp-pharmaceutical mktg
Kenneth J. Quakkelaar, vp mktg services
James R. Garvey, adv director

ADVERTISING AGENCIES

Robert A. Becker Inc., New York—ethical products—Raymond Perry, acct super.

Lavey/Wolff/Swift, New York—pharmaceutical products—Charles Rockefeller, acct super.

Brown-Forman Distillers Co.

	1979	1978
Sales	**$675,823,000***	**$559,764,000**
Earnings	**50,388,000***	**40,095,000**
Advertising**	**50,000,000**	**35,000,000**

***Fiscal year ended April 30, 1980**
****AA estimate**

Brown-Forman Distillers Corp., Louisville, the 79th largest national advertiser, increased its advertising to an estimated $50,000,000 in 1979, a company record 43% higher than the estimated $35,000,000 spent in 1978 and 82% higher than the $27,500,000 spent in 1977. The company has indicated that it plans to continue increasing its ad expenditures, with 1980 spending expected to be around $60,000,000 and the three-year total for fiscal 1981-82-83 to reach $210,000,000.

■ Brown-Forman's sales for the fiscal year were up 21% over the previous year to $675,823,000, while earnings rose 26% to $50,388,000 in the fiscal year.

Of the $50,000,000 spent on advertising in 1979, $29,300,000 was spent in measured media, up from $21,600,000 in 1978. Of this, $13,000,000 went to magazines, up from $8,300,000; $5,600,000 went to network television, up from $4,900,000; $4,800,000 was spent on outdoor advertising, up from $3,500,000, and $3,300,000 went to newspapers, up from $2,000,000.

Only spot television spending declined, with 1979 spending totaling $2,500,000, down from $2,800,000 in 1978.

According to Leading National Advertisers, Brown-Forman's most heavily advertised products were Canadian Mist Canadian whisky, $5,600,000, up from $3,900,000; Cella Italian wines, $5,100,000, down from $5,300,000; Bolla Italian wines, $3,100,000, up from $2,400,000; Jack Daniel's whisky, $2,900,000, up from $2,300,000, and Early Times bourbon, $2,500,000, up from $1,900,000.

■ The advertising support helped most of the Brown-Forman products enjoy unit sales increases in 1979. According to *Time* magazine marketing reports figures, for example, Jack Daniel's was the second best-selling American straight whisky and increased case sales to 2,225,000 cases in 1979 (up from 1,900,000 in 1978) while the straight bourbon category suffered an overall unit sales decline; Canadian Mist became the best-selling U.S.-bottled Canadian whisky by moving 2,450,000 cases (up from 2,300,000) while the rest of the category suffered a slight decline in sales; and Southern Comfort's sales of 1,250,000 cases pushed it past Hiram Walker to become the top-selling brand among U.S. cordials and liqueurs.

Among the company's wine products, Brown-Forman figures showed that its Cella Italian wines were the company's fastest growing label, with case sales reaching 2,077,000 during the fiscal year ending April 30, 1980, up 29% from the year before. Unit volume of the company's Bolla premium wines also rose during the last fiscal year, with case sales reaching 1,420,000, up 13%.

Not all Brown-Forman labels grew last year, and *Time* marketing figures showed that the company's Early Times and Old Forester bourbons both suffered unit sales declines. Early Times volume dropped to 1,775,000 cases from 1,825,000 and Old Forester fell to 655,000 cases from 695,000.

■ The company, marking its 110th year in 1980, is the nation's leading independent, family-managed distiller (the Brown family owns the majority of the company's stock, and the company's only product is alcoholic beverages).

The company's basic marketing strategy has been to position its brands as premium, high-prestige items selling at high prices and to use heavy advertising support to establish and maintain that identity.

Each of Brown-Forman's three

NEWSPAPER DATA

National newspaper advertising investments were supplied by Media Records. Reproduction of this data without written permission is prohibited.

Newspaper brand data for the top 100 newspaper advertisers and for companies with newspaper investments of $10,000 or more are available from Media Records, 370 Seventh Ave., New York 10001 (212) 736-7490.

product categories—American spirits, imported spirits and wines and specialties—enjoyed sales growth during the year. The inclusion of Southern Comfort (acquired in early 1979 for $94,600,000) helped the wines and specialties group post a 53% sales gain, while American spirits grew 14% and imported spirits grew 7%. Of the record annual sales of $676,000,000 during the last fiscal year, American spirits made up 48%, imported spirits made up 20% and wines and specialties made up 32%, as compared with 50%, 22% and 28%, respectively, the year before. This was the first time that American spirits made up less than 50% of the sales.

According to industry observers, the importance of American spirits to Brown-Forman will continue to decline while the wines and specialty items are expected to grow in importance.

▪ Southern Comfort is considered one of Brown-Forman's prime growth prospects, and, following its acquisition, the company undertook a substantial marketing study and evaluation as a first step toward planning a new marketing strategy for the brand. In anticipation of an expanded advertising effort, Southern Comfort switched to McCann-Erickson, New York, late in 1979, and company officials confirmed that a new Southern Comfort ad campaign would break this fall and that the brand will be receiving more advertising support than ever before. During 1979, Southern Comfort was supported by an estimated $5,000,000 ad budget, including $2,000,000 in measured media.

In another growth area, Brown-Forman's wine operations have rolled out with several recent product introductions. After several years in test market, national distribution of Bolla Trebbiano, a dry white wine companion to Soave Bolla, was begun on May 1, 1980. Trebbiano will receive a sizable share of the Bolla advertising support during the coming year and will be a part of the holiday gift selection case.

Brown also rolled national with Cella Rosato, a rose-type addition to the Cella line, in February, 1980.

▪ The company has also singled out the Martell and Old Bushmills labels for greatly expanded ad support in the coming year. Industry observers are particularly bullish on the possibilities for Martell, an imported cognac. High-priced imported cognac has been a strong growth category and, with sales of 100,000 cases in 1979 (up from 90,000 in 1978), Martell was the fourth-largest brand in the category in 1979.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$ 3,305,700	$ 2,036,300
Magazines	13,021,600	8,334,800
Spot tv	2,547,900	2,848,700
Network tv	5,646,400	4,888,900
Outdoor	4,794,100	3,524,608
Total Measured	29,315,700	21,633,300
Unmeasured	20,684,300	13,366,700
Estimated total	50,000,000	35,000,000

MARKETING PERSONNEL

B-F Spirits Ltd.

William M. Street, president
Daniel S. Schusterman, exec vp
Kenneth W. Wright, exec vp

The Jos. Garneau Co.

William R. Carroll, chairman-ceo
Mason L. Tush, president
Charles J. Davis, exec vp
Hank Wasiak, exec vp

Jack Daniel Distillery

Martin S. Brown, president-ceo
Arthur S. Hancock, exec vp
David J. Mahanes, exec vp

Brown-Forman International Ltd.

Robert G. O'Brien, president
William A. Blue, senior vp

ADVERTISING AGENCIES

McCann-Erickson, New York—Canadian Mist, Early Times, Southern Comfort. Howard Ziff, (Canadian Mist, Early Times) mgmt rep; Bob Polansky (Southern Comfort), acct super; Richard Chapman (Canadian Mist), Jan Cooper (Early Times), acct execs.

DKG, New York—Old Forester, Usher's Green Stripe, Pepe Lopez, Old Bushmills. Eleanor Holtzman, mgmt super; Bud Titsworth, acct super; Jeff Hirsch (Old Forester, Usher's, Pepe Lopez), senior account exec; John Murphy (Old Bushmills), acct exec.

Manoff Geers Gross, New York—Bolla, Cella, Martel, Ambassador, Noilly Prat, Anheuser, Cruse, Veuve Clicquot. Peter Barnes, exec vp; Al Magnane, mgmt super; Andrew Watson (Bolla), Kenneth Heidelberg (Cella), Samuel Borwick (others), acct supers.

Burrell Advertising, Chicago—Eugene Morris, mgmt super, James Potter, acct exec.

Gardner Advertising, St. Louis—Jack Daniel's (creative).

CBS Inc.

	1979	1978
Sales	$3,729,701,000	$3,290,052,000
Earnings	200,707,000	198,079,060
Advertising	146,118,000	122,322,000

CBS Inc., New York, the country's 29th largest advertiser, boosted domestic ad expenditures 19% to $146,118,000 in 1979. This was the second year of sharp increases; the previous year the spending level rose 27%.

Increases, as itemized by CBS, came in direct mail, which this company uses lavishly to sell records, point of purchase, magazines and business papers, among other media. Newspapers lost ground with this spender.

The rate of total revenues' growth slowed from 16% to 13% for a total of $3.73 billion. Earnings eased, up 1% to $200,700,000. Foreign returns kept this communications giant from taking an earnings dip. Foreign sales climbed 32% to $647,500,000; profits on those sales moved ahead 11% to $79,000,000. By contrast, domestic earnings slid [illegible]% despite a revenue hike of 10%.

▪ A strong second quarter for the CBS/Broadcast Group was not enough to keep this company's income from dipping considerably during the first half of 1980. Net income dropped 19% to $67,500,000 on a 12% revenue gain which brought that total to $1.94 billion. Earnings plummeted 20% for the period.

For the second quarter, only broadcast showed an improvement in profits. The decline in the other groups was attributed to the impact of the recession and to the lack of second-quarter income from the sale of syndication right to Cinema Center movies. Other minus factors: startup expenses for CBS Video Enterprises and CBS Cable.

The year 1979 was a dramatic one for CBS as it began the start of a successful prime time rating comeback for one of its most heavily advertised services, the CBS-TV network. The CBS/Broadcast Group, paced by the tv network, contributed more than half of the domestic revenues—or $1.525 billion. Despite the tremendous outlays for program expenses that were required to push ABC-TV Network out of first place by an eyelash, this group was able to boost its earnings by nearly $28,000,000.

▪ The CBS-TV Network continued to rely mainly on print to get its message across to viewers. By CBS' count, newspapers and magazines together were budgeted at about $66,000,000 and a large share of that money went for tune-in ads in the increasingly tight competition for audiences in all dayparts.

The CBS Radio Network and stations divisons were believed to be spending a bit more to reach advertisers and listeners. Specific figures are not available, but the annual report claimed record revenues for radio in 1979. By year-end, its lineup had grown to 320 stations.

Attention for the future focuses on who will be taking over this important piece of turf soon. CBS division president Sam Cook Digges reaches the 65-and-out exit early next year. His successor is expected to come from within Black Rock.

After broadcasting, comes the CBS/Record Group. As was the case for much of the audio recording industry, 1979 was not a happy year for this operation. Profits were cut almost in two, even though revenues rose considerably to reach $1.044 billion. CBS blamed this division's troubles on the economy, rising raw materials costs, home taping of records and delayed releases for some its major stars. The company claimed an increase in market share, but advertising for this group was down.

The standout figure in the sketchy measured media lists for CBS products and services is for the Columbia Record & Tape Club, which operates under the CBS/Columbia Group. The mail order distributor was budgeted at nearly $22,500,000 in print and tv and doubtless added millions more in unmeasured media.

Columbia House also sold recorded music, books and other products directly to consumers, mainly through newspapers. The club, self-described as the world's largest mail order record distributor, registered a higher market share, but profits were off for Columbia House.

▪ Over-all within the group profits were up slightly to $35,300,000. Revenues rose substantially, going from $598,900,000 to $717,500,000. Part of the gain came from such musical instruments as Steinway pianos and Fender guitars which held their own in the marketing world with very little traceable advertising spending.

The toy division, operating as Gabriel Industries, posted gains during 1979. CBS bought Gabriel in August, 1978, and has since used it as the marketing entity for Creative Playthings as well. The favored vehicle for Gabriel toys and games was tv, network and spot. Estimated budget: $3,000,000-plus. Creative Playthings used tv too, but had considerably less money to spend.

CBS/Publishing Group managed to boost its profits 7% to $41,200,000 on a 3% revenue gain which brought it to the $455,600,000 mark. Both the educational/professional and consumer divisions contributed. The list of publications was growing. In November, 1979, *Audio* was acquired. Early in 1980, *Family Weekly*, the newspaper supplement, became a CBS property.

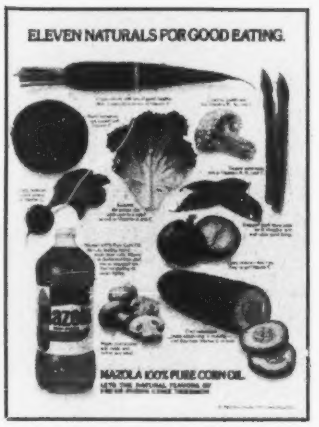
This group does not loom large on the measured media products list though *Woman's Day* and *World Tennis*, among other properties, were down for modest amounts.

▪ Last year brought a chain of executive shifts in the publishing group, as John Purcell moved from its presidency to exec vp CBS Inc. John Suhler succeeded him in the publishing group. Robert Krefting advanced to the presidency of the CBS consumer publishing division.

But the really big management news was made by CBS Inc. in the spring of 1980 when chairman-founder William Paley surprised everyone by firing John Backe as president of CBS Inc. In short order Tom Wyman left the Pillsbury Co. to move to Black Rock into that very hot seat marked Bill Paley's successor.

▪ There were reports that Mr. Backe lost out because he was moving a conventional broadcasting company into the newer forms of video with unseeming haste. That appears not to have been true.

Shortly after Mr. Backe left, Mr. Paley authorized the launching of CBS Cable to supply satellite fed programing to catv starting in mid-1981 on Westar III. CBS Enterprises is in business to offer videocassette and disc softwear and CBS is experimenting with teletext as a "new product" possibility for the CBS-TV Network.


ELEVEN NATURALS FOR GOOD EATING.
MAZOLA 100% PURE CORN OIL.

CPC International's Mazola corn oil ad provides nutritional information on several salad ingredients such as lettuce, carrots and onions.

ADVERTISING EXPENDITURES*

	1979	1978
Newspapers	$ 13,676,400	$ 14,842,600
Magazines	28,532,900	27,117,400
Spot tv	13,344,390	13,422,100
Network tv	4,776,300	2,461,000
Spot radio	672,600	1,839,700
Network radio	4,519,800	785,500
Outdoor	821,800	670,900
Total measured	66,344,100	61,139,200†
Unmeasured	79,773,900	61,182,800†
Estimated total	146,118,000	122,322,000†

***From AA's usual sources**
†Restated

ADVERTISING EXPENDITURES**

	1979	1978
Newspapers	$ 38,869,000	$ 44,851,000
Magazines	27,358,000	23,331,000
Business papers	4,910,000	3,934,000
Spot tv	9,639,000	9,466,000
Network tv	2,535,000	736,000
Spot radio	14,002,000	14,620,000
Network radio	1,827,000	76,000
Point of purchase	6,553,000	3,800,000
Direct mail	20,424,000	13,592,000
Outdoor/transit	2,203,000	1,685,000
Other	17,798,000	6,231,000†
Total	146,118,000	122,322,000†

†Domestic ad expenditures provided by CBS.
†Restated.

CBS INC.

MARKETING PERSONNEL

Warren Spellman, vp, marketing communications
Louis Dorfsman, vp-corporate adv/design

CBS/BROADCAST GROUP

MARKETING PERSONNEL

James Shumaker, director, adv operations
Naomi Andrews, copy chief, CBS Radio
Paul Rosenthal, director, adv operations, CBS Radio & CBS News
Ted Andresakes, sr. art director
Ira Teichberg, director, design services

CBS TELEVISION NETWORK

MARKETING PERSONNEL

Paul Isacsson, vp, sales
Robert Bonagura, vp, business admin
Herb Gross, vp, sales planning
Jerome Dominus, vp, natl sales mgr

CBS CABLE

MARKETING PERSONNEL

Robert E. Shay, vp, general mgr
Charlotte Schiff Jones, vp, m[illegible]

CBS ENTERTAINMENT

MARKETING PERSONNEL

Steve Sohmer, vp, adv & promo
George Bristol, director, admin
Herman Aronson, director, operations
Steve Hewitt, creative director, on-air
Bruce Weiner, director, affiliate adv & promo
David November, director, creative services
Jerry Taylor, director, admin, on-air promo (L.A.)
Morton Pollock, vp, on-air promo
Jacques Sammes, copy chief

CBS SPORTS

MARKETING PERSONNEL

Van Gordon Sauter, president
Carl Lindemann, vp, programs
Harold Classon, vp, operations
Kevin O'Malley, vp, program planning
Neal Pilson, vp, business affairs
James McKenna, vp, finance
Thomas Baskind, vp, communications

CBS NEWS

MARKETING PERSONNEL

Ronald Beck, mgr, program services

CBS TELEVISION STATIONS

MARKETING PERSONNEL

Thoren Schroeck, vp, sales & mktg
Ron Perth, vp genl mgr, natl sales
Joseph DiCerto, director, communications

CBS RADIO

MARKETING PERSONNEL

James Joyella, vp, genl sales mgr, network
Gregory Lincoln, director, mktg, network sales
Nancy C. Widmann, vp-genl mgr, CBS Radio spot sales
Eli W. Kaufman, vp-genl mgr, CBS/FM national sales
W. Thomas Dawson, vp, div services
Norman S. Ginsburg, director, info services
Kathleen Seipp, director, mktg services
Laurence Ostrow, director, retail mktg

ADVERTISING AGENCIES

Doyle Dane Bernbach, New York—CBS Inc., CBS-TV Network, CBS-TV Stations, CBS News, CBS Radio, Lloyd Highbloom, acct super.

W. B. Doner & Co., Detroit—CBS Sports. Fred Doner, acct super.

CBS/RECORDS GROUP

MARKETING PERSONNEL

Robert Altshuler, vp, press & public affairs

CBS RECORDS DIVISION

MARKETING PERSONNEL

Bruce Lundvall, president
Don Dempsey, senior vp-genl mgr, Epic, Portrait and Associated labels
John Berg, vp, packaging art & design
Rick Smith, vp, genl mgr, music publishing
Joe Mansfield, vp, mktg, Columbia label
Arnold Levine, vp, adv & creative services
Albert Shulman, vp, Columbia special products
Calvin Roberts, senior vp, CBS Records div operations, mktg
Paul Smith, senior vp-genl mgr, mktg, CBS Records
Ron McCarrell, vp, mktg, Epic, Portrait & Associated labels
Linda Barton, vp, adv planning

CBS RECORDS INTERNATIONAL

MARKETING PERSONNEL

Allen Davis, president
Art Bruno, vp, operations
Bernice Freidus, vp, creative operations
Donald Williams, vp, intl distribution and warehousing operations

ADVERTISING AGENCY

Young & Rubicam, New York—CBS Records, tv adv. Morris Baumstein, acct super.

CBS VIDEO ENTERPRISES

MARKETING PERSONNEL

Cy Leslie, president
Herbert J. Mendelsohn, vp, mktg

CBS/COLUMBIA GROUP

MARKETING PERSONNEL

Cornelius Keating, president
Charles F. Wassem, vp

COLUMBIA HOUSE

MARKETING PERSONNEL

Benjamin Ordover, president
Leon Graham, vp, music mktg
Paul Harris, vp, editorial services
Richard Archer, vp, creative services
John W. Cobb Jr., vp, syndication services
Michael Kilby, vp, music packages

ADVERTISING AGENCIES

Wunderman, Ricotta & Kline, New York—Columbia Record & Tape Club, Vista Marketing.

Vos & White, New York—National Handcraft Institute, Needle Arts Society.

CBS MUSICAL INSTRUMENTS

MARKETING PERSONNEL

Robert G. Campbell, president
M. Ross Brown, sr vp
Lloyd Meyer, sr vp

FENDER/ROGERS/RHODES/-SQUIER

MARKETING PERSONNEL

Edwin Llewellyn, vp-genl mgr
Roger F. Cox, director, mktg

GEMEINHARDT

MARKETING PERSONNEL

Thomas Adcock, director, mktg

STEINWAY & SONS

MARKETING PERSONNEL

Henry Z. Steinway, chairman
Peter Perez, president
John Steinway, senior vp
Richard Gigax, vp-mktg
Catherine Bielefeodt, director of sales

RODGERS ORGAN CO.

MARKETING PERSONNEL

David Kelley, mktg mgr

GULBRANSEN

MARKETING PERSONNEL

Thomas Zateslo, director of mktg

LYON-HEALY

MARKETING PERSONNEL

Henning Christiansen, president

ADVERTISING AGENCIES

Michael-Sellers, San Francisco, Fender, Rhodes/Squier—Martin Michaels, mgmt rep, Dick Roberts, acct exec.

Lord, Geller, Federico, New York, Steinway—John Marchese, acct exec.

Boger, Martin, Fairchild, Elkhart, Inc., Gemeinhardt.

S. M. Newmark & Associates, Los Angeles, Rogers Drums—Stuart Newmark, acct exec.

MARKETING PROFILES

CBS SPECIALTY STORES

MARKETING PERSONNEL

Francis A. Datello, president
G. Richard Sabbag, vp, store operations
Nicholas Vergis, vp, merchandising
Robert Blegen, vp, adv sales promo

CBS TOYS

MARKETING PERSONNEL

Jerome Fryer, president
Norton Levy, vp, sales
Henry A. Kaplan, vp, mktg
Arthur Barnett, vp, mktg services
Stan Clutton, director, product planning
Judith Sussman, mgr, sales promo & public relations

ADVERTISING AGENCY

Nadler & Larimer, New York.

CBS EDUCATIONAL AND PROFESSIONAL PUBLISHING

Holt, Rinehart & Winston

MARKETING PERSONNEL

Ann Dichter, director, mktg, Praeger Publishing
Harry McQuillian, vp, sales & mktg, college dept
Paul Gessler, vp, sales & mktg, school dept
Steve Dorsky, director, mktg, general book dept

BFA Educational Media

MARKETING PERSONNEL

Gerald C. Bloch, sales mgr, instructional materials western region
Paul Neeb, natl sales mgr, film
Kathryn Kleibacker, dir mktg support

CBS Professional Publishing

MARKETING PERSONNEL

Carl Katia, vp, administration
William Moritz, mgr, subscription sales
Dennis Carson, director, marketing, Saunders Press
Martin Kahn, vp, mktg, health science
Susan Hunter, director of mktg, health science

CBS International Publishing

MARKETING PERSONNEL

Richard Pippert, vp, publishing
Wayne Casa, genl mgr, export operations
Sheila Bell, mkt mgr, college product
Marcia Feltingoff, mktg mgr, professional & school product
Theresa Kraft, super, adv services

CBS Consumer Publishing

MARKETING PERSONNEL

Marketing Services

W. Ronald Kops, vp & director, marketing research services
Phyllis Crawley, director, communications

Women's Magazine Group

Peter Bonanni, vp & group publisher
Carl Kopf, vp & circulation director
Jay Burzon, vp & assistant pub, advertising
Elizabeth Schick, director, mktg services
Edward Keil, promo director

Men's Magazine Group

Michael J. O'Neill, vp & group publisher
John Condon, vp & genl mgr
Eugene Bay, associate publisher, *Field & Stream*
George Winchester, circulation mktg services director
Arnold Gluskin, adv mktg director
Joseph Kelly, adv director, *Mechanix Illustrated*

Special Interest Magazine Group

Francis Pandolfi, vp & group publisher
Leon Rosenfield, circulation mktg services director
William Ganz, adv mktg services director
Cliff Parris, adv director, *Road & Track*
Brian Van Mols, adv director, *Cycle World*, *PV4*
John Ruoff, eastern adv director, *SEA*
Hal Morse, western adv director, *SEA*
Gordon Burkhard, adv sales director, specials

Fawcett Books Group

Kenneth Collins, vp & group publisher
James Young, vp & director, sales & mktg
Thomas Mahan, general sales mgr

Fawcett Marketing Services Group

William C. Hall, vp & director

ADVERTISING AGENCIES

Rapp & Collins, New York—circulation promo for all magazines, Stanley Rapp, mgmt super.

Ketchum, MacLeod & Grove, New York—adv sales promo for all magazines, Walter Kaprielian, Howard Haeslip, mgmt supers.

Hinshe, Kay & Associates, Santa Monica—BFA, Jim Gueirard, acct mgr.

Gutenberg 2000, Santa Monica—BFA, Kim Philes, acct mgr.

Ted Barash & Co., New York—supermarket continuity series, Ted Barash, mgmt super.

Dancer Fitzgerald Sample, New York—*Woman's Day*, Kathy Dishner, acct super.

Fred Gardner Co., New York—*Mechanix Illustrated*, Robert Luce, acct super.

Jameson Advertising, New York—Holt, Rinehart & Winston, Marie De Vito, Florence Coyre, acct execs.

Kaeser Taurins & Wilson, New York—Holt, Rinehart & Winston, Annalee Wilson, acct exec.

Denhard & Stewart, New York—Praeger Publishing, Caroline Barnett, acct exec.

Andrew Torre Associates, New York—Andrew Torre, acct exec.

Barbini, Pesce & Gaines, New York.

Target Communications, New York.

Motivational Communications, New York.

Kaeser & Wilson, New York.

Grey Advertising, New York—Fawcett Books, Peter Isaia, acct super.

CPC International Inc.

	1979	1978
Sales	**$3,698,700,000**	**$3,221,800,000**
Earnings*	**178,600,000**	**147,300,000**
Advertising†	**72,000,000**	**65,901,700**

***Worldwide**
†U.S. only

CPC International, Englewood Cliffs, N.J., the 61st largest national advertiser, increased its U.S. ad spending 9% to $72,000,000 in 1979 from $65,901,700 in 1978. Sales of its CPC North America division, including the U.S., Canada and the Caribbean, were $1.37 billion, up 9% from $1.26 billion in 1978.

International ad and promotion expenditures were $205,700,000, up 15% from $179,000,000 in 1978. Corresponding sales increased 14.8% to $3.7 billion.

The company is one of the 20 largest food companies in the world and is the largest corn wet miller. Approximately 85% of CPC's business is concentrated in the U.S., Canada and Western Europe. Branded grocery products account for 58% of the company's international sales; corn wet milling, which separates corn into its component parts for food and industry uses, contributes 37%, and other businesses, which include specialty chemicals, packaging and restaurants, generate 5%.

CPC conducts its branded grocery products and corn wet milling businesses through four regional divisions—CPC North America, CPC Europe, CPC Latin America and CPC Asia.

▪ CPC North America, in turn, is organized into four units. Best Foods controls the main line of the company's branded grocery package goods in the U.S.; Corn Products manages corn wet milling operations in the U.S.; the Consumer Diversified Unit oversees S. B. Thomas and Dutch Pantry brands and Caribbean, export and special products operations, and the Industrial Diversified Unit is responsible for Acme Resin Corp., Americhol Corp., Penick Corp. and Peterson/Puritan Inc.

The company's domestic branded grocery products include such well known products as Hellman's and Best Foods mayonnaise; Mazola corn oil; Knorr dehydrated soups, bouillons, sauces, gravies and base mixes; Skippy peanut butter; Mazola and Nucoa margarines; Thomas' English muffins and specialty baked goods; Karo and Golden Griddle syrups; Mrs. Fanning's bread and butter pickles; Niagara and Argo laundry starches; NuSoft fabric softener, and Rit tints and dyes.

Although CPC increased advertising expenditures 9%, its promotional spending as a percentage of sales (5.5%) was less than the industry as a whole.

▪ The company traditionally has adopted a marketing strategy of developing variations of existing brands and expanding old brands into new markets, rather than investing heavily in new products. CPC uses Best Foods to generate part of the cash flow needed for other parts of CPC's operations. By not looking for rapid growth and by keeping expenses to a minimum, it has been successful in accomplishing these objectives.

In keeping with these policies, some of the corporate moves in 1979 were

- Completion of national distribution of Hellmann's Big H hamburger sauce;
- Introduction of Skippy Old Fashioned peanut butter to eastern test markets;
- Midwest introduction of Thomas' English muffins, and a Boston test market introduction of Thomas' wheat English muffins.
- Reformulation and repackaging of S. B. Thomas' Toast-r-Cakes.

▪ Among Best Foods established brands, Mazola corn oil received the heaviest backing, $7,889,900, down from $8,135,300 in 1978. With mainly private label competition in corn oil itself, Mazola has pinned down and held its 16% share of the vegetable oil market, despite attempts by Procter & Gamble and Wesson to move in with low-cholesterol Puritan and Sunlite, respectively.

Mazola margarine, backed by $5,276,900 in measured media, continued to increase its market share. Ads featuring an American Indian spokeswoman who extols "the goodness of maize" were continued for the second straight year.

▪ Hellmann's mayonnaise, Best Foods' biggest moneymaker and the No. 1 entry in the mayonnaise market with a 40% share, received $4,771,800 in ad spending. Other heavily-backed products included Skippy peanut butter with $7,379,300, an increase from last year's $5,030,700; Thomas' English muffins, $7,597,400, and Golden Griddle pancake syrup, $3,315,600. Spending for Big H hamburger sauce dropped to less than $500,000 from last year's figure of $2,785,600.

▪ Corn Products, producer of starches, corn sweeteners, corn oil and animal feed ingredients for some 70 different industries, announced the construction of a Stockton, Cal., corn wet milling plant, the largest such facility in the western U.S. Corn Products also announced a joint study with Texaco regarding the feasibility of producing ethanol for use in gasohol. The unit's advertising and sales promotion expenditures in 1979 totaled approximately $500,000.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	**$ 421,900**	**$ 555,200**
Magazines	**4,254,700**	**3,362,500**
Spot tv	**15,528,500**	**13,543,700**
Network tv	**19,281,400**	**18,450,500**
Spot radio	**——**	**5,300**
Outdoor	**474,400**	**237,300**
Total measured	**39,960,900**	**36,154,500**
Unmeasured	**32,039,100**	**29,747,200**
Total	**72,000,000**	**65,901,700**

BEST FOODS

MARKETING PERSONNEL

Richard W. Siebrasse, president
Clayton J. Rohrbach Jr., vp-mktg
Jan van Amerongen, exec asst to mktg vp
Leroy F. Reiser, vp-mktg devel
Clifford M. Jennewein, vp-sales
Jean Burtis, consumer service director
Dennis C. Beaumont, director-mktg services
Aaron Strauss, director, mktg rsch
Kenneth Bistany, Ross Fenster, Charles Lund, mktg directors

ADVERTISING AGENCIES

Dancer Fitzgerald Sample, New York—Hellmann's and Best Foods mayonnaise, Hellmann's and Best Foods relish sandwich spread, Hellmann's and Best Foods tartar sauce, Hellmann's Spin Blend salad dressing, Skippy and Skippy Old Fashioned peanut butter, Mrs. Fanning's Bread and Butter pickles, Hellmann's Big H hamburger sauce, Mazola margarine, Diet Mazola margarine—George Dean, mgmt director; Bob Weekes, group super; John Kaiser, Joe Scutero, Ed Padin, Bob Howsam, Richard Horowitz, acct supers; Steven Strauss, Linda Fallon, Pam Gordon, acct execs.

D'Arcy-MacManus & Masius/de Garmo, New York—Mazola corn oil, Golden Griddle pancake syrup, Karo corn syrups (dark and light), new products—Robert Berman, mgmt rep; John Balardi, George Karalekas, mgmt reps; Richard Parillo, acct exec.

S. B. THOMAS INC.

MARKETING PERSONNEL

Michael W. Hogarty, president
Joseph R. Cross, vp-mktg
Donald A. Hermann, natl sales mgr
Richard Zuver, senior product director
Arthur J. Cunningham, director, new ventures, mkts and consumer rsch

ADVERTISING AGENCY

D'Arcy-MacManus & Masius/de Garmo, New York—S. B. Thomas baked goods—Joseph Kelley, mgmt super; Tony Person, acct super; Steve Voyer, acct exec.

SPECIAL PRODUCTS

MARKETING PERSONNEL

Albert A. Witz, genl mgr

ADVERTISING AGENCY

Warwick, Welsh & Miller, New York—Rit fabric whitener, Rit color remover, Rit dyes, H-O Oats and Farina—Tom Fucigna, mgmt rep, Jackie Cameron, acct exec.

BEST FOODS CARIBBEAN

MARKETING PERSONNEL

Plinio Gonzales, president
Carlos Mendez, director-mktg/sales

ADVERTISING AGENCY

J. R. Marquinas & Associates, San Juan—Knorr soups, sauces, bouillons; all Best Foods and Corn Products items; Purlite vegetable oil—acct super, Danniele Aparichio.

CORN PRODUCTS

MARKETING PERSONNEL
(domestic only)

J. William Mehring, president
R. W. Spaeth, vp-sales/mktg

ADVERTISING AGENCY
(domestic only)

Trout & Ries, New York—Sharen Kindel, acct exec.

Top 25 magazine advertisers

Rank	Advertiser	Expenditures 1979	Expenditures 1978
1	R.J. Reynolds Industries	$114,869,300	$ 71,517,200
2	Seagram Co. Ltd.	84,877,100	69,160,400
3	General Motors Corp.	67,551,000	56,305,300
4	Philip Morris	64,650,800	53,306,800
5	General Foods Corp.	41,241,000	36,234,900
6	Procter & Gamble	40,640,400	33,754,300
7	B.A.T. Industries	36,081,400	22,765,200
8	Loews Corp.	35,745,100	24,147,600
9	American Brands	31,399,300	26,399,200
10	Ford Motor Co.	31,042,100	23,744,900
11	CBS	28,532,900	27,117,400
12	Time	27,243,100	23,391,000
13	American Telephone & Telegraph Co.	25,287,200	16,742,500
14	RCA Corp.	21,773,200	22,370,400
15	Liggett Group	21,527,700	23,081,600
16	Kraft	21,428,100	21,878,900
17	General Electric Co.	20,383,600	18,849,100
18	Bristol-Myers Co.	19,849,200	23,761,500
19	U.S. Government	18,788,300	20,782,600
20	Hiram Walker-Gooderham & Worts	16,806,600	13,262,300
21	E.I. DuPont de Nemours	16,615,300	13,401,400
22	American Broadcasting Co.	16,174,900	12,819,400
23	Johnson & Johnson	15,901,500	11,665,900
24	Unilever	15,207,200	11,322,600
25	General Mills	14,985,800	16,191,600

Source: Leading National Advertisers. Farm papers not included.

Campbell Soup Co.

	1979	1978
Sales	**$2,248,692,000**	**$1,983,659,000**
Earnings	**132,744,000**	**121,410,000**
Advertising*	**60,524,400**	**56,400,000**

*** Estimated by AA**

Campbell Soup Co., Camden, N.J. the 69th largest national advertiser, increased its domestic advertising expenditures by an estimated 7% to $60,524,400 in fiscal 1979. Consolidated marketing expenditures worldwide totaled $181,000,000, up 11% from $163,000,000 in 1978. For the fourth consecutive year, marketing expenditures represented 8% of the net sales.

Campbell's consolidated net sales increased 13% to $2,248,692,000 from $1,983,659,000 the previous fiscal year. Earnings also rose to $132,744,000 in 1979 from $121,410,000 the year before.

The canned food division accounted for more than $1.2 billion in sales in fiscal 1979. Campbell's fifty-seven varieties of red-and-white label soups control more than 80% of the world's wet-soup market, and the soups, most closely associated with the Campbell's name, account for more than 40% of the company's worldwide sales, making them the most heavily promoted product. Advertising for the line, down from 1978, totaled $11,613,800, with almost half of that going to network tv. (This does not include newspaper advertising.)

▪ Late 1979 saw the introduction of the "Broth Plus" line as Campbell began promoting its chicken broth and rice, beef broth and barley and chicken broth and vegetable flavors. The campaign was launched nationally with store coupons worth 10c, newspaper and magazine ads and network radio spots.

Campbell has also continued to emphasize its 16 varieties of "Light Ones" soups, with 90 calories per 10-oz. serving, and the company has retained actress Lee Merriwether as its spokesperson.

Also added to the already existing line of single-serving Chunky soups were split pea and ham and steak and potato varieties. A 19-oz. Mediterranean vegetable and a three-bean vegetable were also being test-marketed in Cincinnati and Syracuse. Advertising expenditures for Chunky canned soups totaled $5,004,200 up from $4,622,000 in 1978.

The Food Service Products division has also added a new line of seven classic soups—Campbell's Kettle soups, especially formulated for the food service industry.

▪ The Swanson division, which accounts for more than $300,000,000 in sales of frozen foods has concentrated advertising on new products that can be heated both in microwave and conventional ovens, and has begun to convert the packaging of existing products.

A line of frozen entrees and breakfasts with this dual-use packaging was launched nationally. In December, 1979, Campbell reportedly was planning to invest $10,000,000 in multimedia advertising.

Also introduced nationally were two new Swanson canned poultry products. Chunk Thigh chicken, and Chunk Style Mixin' chicken. Recipe ideas and recipe card design ads backed the line. Advertising expenditures for canned chicken in 1979 were $887,500.

Swanson's heaviest promotion was for its frozen fried chicken, which the company, in conjunction with the rest of the industry, pitted against fast-food take-out chicken. Advertising expenditures in the frozen fried chicken category alone totaled $2,127,000,

MARKETING PROFILES

almost one third of Swanson's total advertising expenditures. The campaign, which stressed taste and convenience, included a heavy four-week flight of introductory network and radio spots with newspaper clip-coupons. Swanson's discontinued its Three Compartment Frozen Meatball dinner, and its Hungry Man Beef Tamale entrees.

- The Pepperidge Farm division generated about $300,000,000 in sales this year and spent $4,500,000 on advertising, including premium offers and excluding newspaper ads.

Moving into wider distribution this year are two "Cake Supreme" varieties that will be added to the 16-oz. frozen cakes line, which led Pepperidge Farm's advertising in fiscal 1979 with $2,438,400. Four Distinctive Cookies variations and Goldfish Thins crackers will also enjoy market distribution.

In the experimental stage is a 40 to 70 unit sweet goods line distributed boxed and fresh to supermarkets in Cleveland, Pittsburgh, Columbus and Atlanta, which, according to the company will probably be competitive with Entenmann's, itself in the process of moving into these test markets.

Frozen puff pastry sheets and pie shells have recently gone national and the company has plans to add Danish dough sheets later on. Advertising expenditures for frozen pastry, including a premium offer, reached $171,300 this year.

Discontinued was Pepperidge Farm's White with Cracked Wheat bread, Half Cakes, and Sesame Garlic Goldfish crackers, and Brown Sugar cookies. New products include Pepperidge Farm Rich 'n Moist cakes introduced nationally along with Pepperidge Farm Deli, individual frozen light meals, which will begin with regional distribution.

Spending for Franco-American canned products decreased from $2,604,900 in 1978 to $1,523,600 in 1979, with $1,424,900 going toward network and spot tv for Spaghettios.

- V-8, with advertising expenditures of $5,948,500, including a premium offer, has been testing V-8 meat sauce in Indiana and South Texas. Also being promoted is the V-8 Spicy-Hot vegetable cocktail juice 12-oz. size with the offer of a V-8 cooler.

Vlasic Foods, which holds over 25% of the pickle market, spent $2,515,900 in measured media and generated over $100,000,000 in sales. Presently, the Federal Trade Commission is investigating whether the 1978 acquisition of Vlasic complies with antitrust laws.

The company's mushroom market under the Campbell's Farm Fresh mushrooms label, has expanded with the acquisition of three new mushroom farms.

A settlement was reached in May, 1980, in the H. J. Heinz vs. Campbell Soup case. The charge that Campbell was violating antitrust laws in the canned soup market was dismissed with prejudice by the federal court in Pittsburgh.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$3,374,400	$3,349,800
Magazines	6,324,700	5,821,400
Spot tv	8,866,200	10,077,000
Network tv	21,088,700	18,648,600
Spot radio	1,071,900	1,200,500
Network radio	2,064,700	669,700
Outdoor	214,900	260,200
Total Measured	43,005,500	40,027,200
Unmeasured	17,518,900	16,372,300
Estimated total	60,524,400	56,400,000

CAMPBELL SOUP CO.

MARKETING PERSONNEL

H.M. Baum, vp-mktg
A.J. Adams, director-mktg rsch
J.A. Gardener, director-product promo
R.H. Bolte, director-adv services
C.Boasi, director-home economics
D.F. Macaulay, director-design
A.V. Davis, mgr-intl mktg sevices

Canned Food Division

W.L. Bildahl, vp-mktg
C.Miller, pres-mushroom div
P.N. Mulcahy, product mktg director, condensed soups
D.E. Bair, product mgr, condensed soups
W.J. Carter, product mktg mgr, condensed soups
J.W. Dodd, product mktg director, ready-to-serve soups
E.P. Field, product mktg mgr, ready-to-serve soups
D.E. Goerke, product mktg director, Franco-American
H. Pierce Pelouze III, product mktg director, V-8
D. Santangelo, product mktg director, beans and tomato juice

Swanson Division

J.R. Emshoff, vp-mktg & devel
W. Culp II, director-mktg
P.R. Collins, product mktg director
J.N. Haring, product mktg mgr
S.M. Regan, product mktg mgr

Campbell Sales Co.

C.J. McNutt, vp-sales
J.H. Petersen, sales mgr-canned foods
A.J. Dale, sales mgr-frozen foods

Food Service Products Division

A.J. Plummer, sales mgr
D.L. Larson director-mktg
C.R. Marshall, mktg mgr

ADVERTISING AGENCIES

Batten, Barton, Durstine & Osborne, New York—condensed and ready-to-serve soups—R.B. White, exec vp-mgmt rep; C. Clarkson Hine, mgmt super; Arnold Ross, acct super-condensed; Peter Wild, mgmt super-ready-to-serve; Bob Howe, acct super-ready-to-serve.

Needham, Harper & Steers, New York—Campbell bean products, tomato juice, V-8 cocktail vegetable juices, Franco-American products, Swanson canned products—P. Wallace, sr vp-acct group director; J. Ponchalek, acct super; M. Danowitz, acct exec; J. Most, acct exec.

Ogilvy & Mather, New York—Swanson frozen products—G. Phillips, exec vp-mgmt super; P. Schaeffer, vp-acct super.

Foote, Cone & Belding, New York—new products—D. Krips, mgmt super; S. Byrne, acct super.

Lewis & Gilman, Philadelphia—corporate trade, food service—R.G. Wilder, president; T.D. Endicott, T.P. Ferguson, acct supers.

Conill Advertising Associates, New York—Spanish-speaking market—Rafael Conil, president; Alicia Conil exec vp; Susan Kahn, director-mktg services.

RESTAURANT DIVISION

Rancocas, N.J.

MARKETING PERSONNEL

Robert J. Dourney, exec vp
L.A. Pizer, mktg mgr

CHAMPION VALLEY FARMS

Camden, N.J.

MARKETING PERSONNEL

W. Rohmer, president
P. Masaracchio, director-mktg

PEPPERIDGE FARM

MARKETING PERSONNEL

J.W. Petty, vp-bakery
J.P. Horn, vp-frozen
A.N. Calabrese-genl mgr-biscuits
R.S. Wilson, president-retail division
R.L. Schmalz, genl mgr-mail order
L.D. Pearson, mktg mgr-bakery
C.A. Blatt, mktg mgr-biscuit
W.T. Sander, mktg mgr-frozen
A.J. Pechenik, genl mgr-confectionary sales
J.E.Tierney, vp-sales division

ADVERTISING AGENCY

Ogilvy & Mather, New York—William H. Weed, exec vp-mgmt super; Charles L. Decker, vp-mgmt super; Kelly O'Dea, acct super-bakery, biscuit and frozen; Daniel Norel, acct exec-frozen; Ben Arno, asst acct exec-frozen.

VLASIC FOODS

MARKETING PERSONNEL

Dennis Sullivan, president
Peter Nolan, vp-sales
J.M. Dorsch, vp-marketing

ADVERTISING AGENCY

W.B. Donner & Co., Southfield, Mich.—William Case, mgmt-super; Jerry Lyons, acct super; Jean McClaren, asst acct exec.

Chesebrough-Pond's

	1979	1978
Sales	$1,174,274,000	$969,833,000
Earnings	82,609,000	69,7[illegible]4,000
Advertising*	107,342,000	91,340,000**

* AA estimate
** Adjusted figure

Chesebrough-Pond's, Greenwich, Conn., the 44th largest advertiser, increased its domestic advertising 17.5% to $107,342,000 in 1979, from $91,340,000. In addition to breaking the $100,000,000 mark for advertising, the company for the first time in its 100-year history had sales that topped $1 billion.

The company marked its 24th consecutive year of increased sales and earnings in 1979, with sales increasing 21% and net income advancing 18.5%. All seven operating divisions contributed to the sales gain.

In domestic operations, health and beauty products accounted for $223,415,000, or 19% of corporate sales; packaged foods, $221,059,000, or 19%; Health-tex, $174,002,000, or 15%; Prince Matchabelli, $113,370,000, or 9%; Bass, $80,254,000, or 7%; Hospital Products, $33,614,000, or 3%.

- A broad range of new products made major contributions to C-P's sales growth in 1979. Among new products successfully rolled out during the year were Rave soft hair spray, Chimere fragrance from Prince Matchabelli, Ragú Italian cooking sauces, Kidproof jeans from Health-tex and the Adolph's Meat Department line of dry-mix marinades, with ad dollars spent most intensively for Chimere, ($4,500,000) Ragú cooking sauces, ($5,000,000) and Rave hair spray ($6,000,000).

In the U.S., the health and beauty products division achieved its primary marketing objectives for 1979 by extending its foothold in the $2 billion hair care market and maintaining its leading share of the hand and body lotion market.

Introduced in mid-1978, Rave soft perm, with the first nonammonia formula, has surpassed Lilt by Procter & Gamble and Toni by Gillette to become the country's No. 1 brand, capturing 30% of the home perm market.

CAMPBELL INTRODUCES
Swiss Cheese With Ease
Campbell's
Swiss Cheese SOUP
CAMPBELL'S NEW SWISS CHEESE SOUP

Campbell Soup Co.'s "Swiss cheese with ease" is a new addition to the 50 plus varieties which now control over 80% of the world's wet-soup market.

Trading on the strength of the Rave name, Rave soft hair spray was introduced in May, 1979, representing what the company called "the first real product breakthrough in many years in its category." A $6,000,000 multimedia effort, including tv, magazines, newspapers, supplements and 30,000,000 25¢ coupons launched the soft spray into the fray with Clairol's Final Net, which had a 20% plus share of the national market, and American Cyanamid's Miss Breck, with 15% for aerosol and pump combined.

Advertising for Rave soft spray to Ogilvy & Mather announces "It gives a soft hold; you can even comb through it." Rave hair spray has already "achieved a significant position" in the market, according to the company, with the two Rave products "adding substantially" to the division's sales increase of 12.5% in 1979.

- During 1979, in the face of intense competition, Vaseline Intensive Care lotion, the division's largest selling product, maintained its No. 1 position in the growing hand and body lotion market, the company said. Nearly $5,000,000 was spent on the brand in network television advertising in 1979, according to Leading National Advertisers. William Esty Co., Vaseline Intensive Care's agency, broke a new campaign for the product last fall, stressing the lotion's healing benefits for rough, problem hands, with one spot featuring the residents of Friendship Cove, whose hands are exposed to severe conditions.

Shoes that let you skip from one outfit to the next. Bass

Chesebrough-Pond's G. H. Bass & Co. shoe division completed its first full year as part of the company. 1979 sales were up 35.9% from 1978.

Pond's Cream and Cocoa Butter lotion, introduced in 1978, received over $3,000,000 in measured magazine, newspaper supplement and network tv advertising in 1979, according to LNA.

For 1980, the division's objectives include continued growth for Rave products, and increased marketing support of such established products as Q-tips, Vaseline petroleum jelly and Vaseline Intensive Care lotion.

Sales in the package foods division increased 21% to $221,000,000 and operating profit grew 21%. According to the company, the division's profit margins exceed those for the company overall and are among the best in the package foods industry.

In the division, marketing efforts focused on the introduction of two new products during the third quarter.

- Ragú Italian cooking sauces, for making Italian restaurant style meals at home, achieved the highest initial retail distribution level of any product in the division's history, C-P said. In contrast, the Adolph's Meat Department line of dry-mix marinades and seasonings, introduced with over $3,000,000 in measured media advertising, experienced some delays in achieving full retail distribution.

The division's well established spaghetti sauce business continued to grow, spurred by rising beef prices and record levels of marketing support. Almost $10,000,000 in network and spot tv advertising beefed up sales of Ragú spaghetti sauce and strenghthened its leadership position against Hunt-Wesson and Chef Boy-ar-dee brands.

Ragú traditional sauces, Ragú Extra Thick and Zesty sauces and Ragú Classic Combinations sauces, introduced in 1978, remain the three best-selling brands, accounting for about two thirds of the category's total sales, the company said. During 1979, the package foods division spent $12,988,000 on advertising, an increase of 47% over the previous year.

For 1980, the division expects to introduce a new product nationally later in the year, the company said.

- Operating improvements led to greater profitability in the Health-tex division during 1979. During the year, problems in coordinating production and distribution functions were largely brought under control, and the division's sales increased 9.6% to $174,000,000. Operating profit advanced 11.8%, compared with a 14.6% decline for 1978.

Sales increased in all six categories, with infants' sizes accounting for over 25% of sales, and girls' sizes 7 to 14 introduced nationally in 1978, accounting for over 10% of divisional sales. Sales also benefited from the introduction of Kidproof jeans, designed to be the longest-wearing jeans in the boys' market, which reached retail stores in the fall.

In 1980, the division plans to introduce a line of clothing in boys' sizes 8 to 14. According to LNA, the division spent $873,900 in mixed media measured advertising in 1979.

The company's fragrance business, traditionally the foundation of Prince Matchabelli division, was strenghtened significantly by the introduction of the Chimere line, the first new fragrance from Prince Matchabelli since the Aviance line in 1975. Divisional sales increased 17.9% over 1978, to $113,000,000, and operating profits advanced 16.4%.

Supported by what the company called "the heaviest advertising and promotional program in Prince Matchabelli history," Chimere is said by C-P to have generated wider consumer acceptance than any other fragrance launched by a U.S. company in 1979.

- Begun in September, 1979, the $4,500,000 Chimere campaign, handled by Scali, McCabe, Sloves, is designed to appeal to the 25-to-35-year old professional woman of the '80s with the theme line, "To the world it's discreet and elegant, but up close it's something else."

The Chimere brand joins three other Prince Matchabelli brands—Wind Song, Cachet and Aviance. Budgets for these established brands have been increased 8% in 1979 to $8,340,000, from $7,720,000. In early 1980, C-P switched the Aviance account to William Esty Co. from Della Femina, Travisano & Partners. Esty is the fragrance's third agency since its 1975 introduction.

The Aziza line of make-up products now accounts for 25% of divisional profits, up from 5% five years ago. In 1979, Aziza moved heavily into spot and network tv, while maintaining an 11-times per year schedule in four core magazines—*Cosmopolitan*, *Glamour*, *Mademoiselle* and *Seventeen*.

Erno Lazlo, an expensive name in skincare, had sales and earnings that far exceeded 1978 levels. Leading National Advertisers put 1979 mixed media spending for the brand at $1,155,000, more than double 1978 expenditures. In the wake of upscale skin entries from Charles of the Ritz Group and Estee Lauder, a new campaign was developed this fall via Murray Salit & Associates.

- The G. H. Bass & Co. shoe division completed its first full year as part of the company, having been acquired in July, 1978. At a time when growing sales of imported shoes are slowing domestic sales growth, Bass' sales have more than tripled in three years. 1979 sales grew to $80,000,000, up 35.9% from full-year 1978 sales. Operating profits increased 37% from the full-year 1978 total. The division is benefiting from its recent extension into spring and summer shoe styles—called Sunjuns—and Funjuns, a wider range of casual shoes. Billings for Bass, with advertising placed principally in magazines, reached $1,000,000 in 1979; during the year, the account moved from Horton, Church, & Goff, Providence, R.I., to Lord, Geller, Federico, Einstein, New York.

▪ In the Hospital Products division, sales for 1979 increased 18.5% to $34,000,000, the division's largest percentage increase since 1971. Operating profit advanced 19.2%. In October, 1979, C-P acquired Filac Corp., which specializes in electronic technology as applied to thermometers and blood pressure measurement instruments, for about $4,000,000. There is no measured advertising for this division.

The international division, the company's largest, accounts for 28% of total 1979 sales. At $329,000,000, the division's sales for 1979 increased 18.8%, and the division's net income margin improved to 7.2% from 6.5% in 1978.

Domestic products introduced successfully abroad during 1979 included new enriched Vaseline Intensive Care lotion and Aziza eye make-up products in the United Kingdom, Rave soft perm in Canada and the United Kingdom, Pond's Cream & Cocoa Butter lotion in Italy, and the Chimere fragrance in Puerto Rico.

The Patrichs line of men's aftershave and cologne products, developed and introduced in Spain in 1976, is now the second best-selling brand there and was expanded to Australia, Italy, Venezuela and West Germany during 1979. The Clyo fragrance, a sister product to the Patrichs line, was successfully introduced in Spain during the third quarter.

At C-P's annual meeting in 1979, Ralph Ward, chairman, was questioned about the company's stepped-up advertising spending for the year. Mr. Ward replied that "growth requires a major investment in advertising."

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$2,077,400	$2,556,400
Magazines	11,014,500	6,723,000
Spot tv	7,251,100	5,341,600
Network tv	32,485,300	34,030,600
Network radio	2,354,900	121,100
Spot radio	331,400	238,700
Outdoor	—	1,200
Total Measured	55,514,600	49,012,600
Unmeasured	51,827,400	42,327,400
Estimated total	107,342,000	91,340,000

CHESEBROUGH-POND'S

MARKETING PERSONNEL

Frank Stambert, group vp
K.R. Lightcap, vp-investor relations & public affairs
J.A. Russo, creative services director
J.E. Durlach, media mgr
Carl Ward, specialty mkts director
J.E. Campion, media director

HEALTH & BEAUTY PRODUCTS DIVISION

MARKETING PERSONNEL

Charles Chapman, president
Michael Borkowsky, vp-mktg

ADVERTISING AGENCIES

William Esty Co., New York—C-P account super; Tom Hayes, Vaseline Intensive Care lotion, Roy Williams, senior acct exec; Sharon Spielman, acct exec. Vaseline Petroleum Jelly, Deborah Pawlik, acct exec; Pond's Cremes, Liz Kimball, acct exec.

Ogilvy & Mather, New York—Q-tips, Rave soft spray, new products, Mark Goldman, acct exec. Rave home perm, Michelle Morgan, acct exec.

Albert Jay Rosenthal, New York—military adv—Art Becket, acct super.

PRINCE MATCHABELLI DIVISION

MARKETING PERSONNEL

David Cullen, president
Ed Rabin, vp-mktg

ADVERTISING AGENCIES

William Esty Co., New York—Aviance—Ruth Burr, acct exec.

Scali, McCabe, Sloves, New York—Windsong, Cachet, Chimere—Richard Roth, mgmt rep; Michael Claggett, mgmt super; Caroline Bracie, Trudy Weinstein, acct execs; Nancy Wender, asst acct exec.

Waring & LaRosa, New York—Cutex, Aziza—Doug Burns, vp-mgmt super; Edee Wollin, acct exec; Susan Quinn, asst acct exec.

HOSPITAL PRODUCTS DIVISION

MARKETING PERSONNEL

John White, president
R. Rosenthal, vp-mktg

ADVERTISING AGENCY

Klemtner Advertising, New York—Lee Rosenberg, acct super.

ERNO LAZLO INSTITUTE

MARKETING PERSONNEL

Kay Fiedler, vp-genl mgr

ADVERTISING AGENCY

Murray Salit & Associates, New York—Murray Salit, acct super.

PACKAGED FOODS DIVISION

MARKETING PERSONNEL

George Goebeler, president
Charles Perrin, vp-mktg

ADVERTISING AGENCY

Waring & LaRosa, New York—Ragu, Adolph's—John McCroskey, senior vp-mgmt super; Irwin Levy, vp-acct super; Louise Erdman, Jen Shora, Caroline Herzfeld, acct execs; Joyann Gramolini, new product mgr.

HEALTH-TEX DIVISION

MARKETING PERSONNEL

R.A. Breakstone, president & genl mgr
H.S. Miller, vp-mktg

ADVERTISING AGENCY

AC&R, New York—Alvin Chereskin, president-mgmt super; Joyce Kayhart, vp-acct super; Helen Hedges, acct exec.

G.H. BASS DIVISION

MARKETING PERSONNEL

Richard Bourret, president
R. Joe Peach, director of mktg

ADVERTISING AGENCY

Lord, Geller, Federico, Einstein, Inc., New York—Bob Henklein, acct exec.

Chrysler Corp.

	1979	1978
Sales	$12,000,000,000	$13,609,000,000
Earnings	(1,097,300,000)	(204,600,000)
Advertising*	118,006,000	188,900,000
(Loss)		

***Estimated by AA**

Chrysler Corp., Highland Park, Mich., the 40th largest national advertiser, slashed its advertising expenditures in 1979 by nearly 40% as it became the first U.S. corporation to lose more than $1 billion. Ad outlays were $18,000,000 down from $188,900,000.

▪ Chrysler turned to the federal government for aid and Congress approved a $1.5 billion loan guarantee program with enough strings to weave a safety net. Whether that would enable Chrysler to bounce back from twin attacks of crippling import car sales and a recession was up for grabs. Chrysler's future hinged on the reception of its 1981 K-cars, front-wheel-drive compacts.

"1979 was more than Chrysler's year of agony—it was also Chrysler's year of survival," said president J. Paul Bergmoser, yet another draftee from Ford Motor Co. by chairman Lee Iacocca, himself a Ford alumnus.

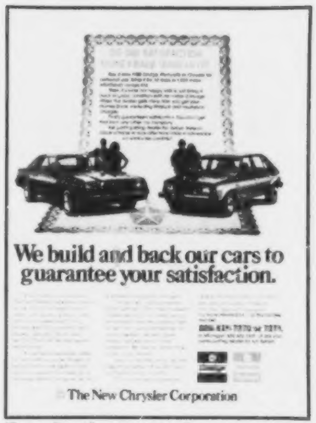
Chrysler's plain, black-and-white annual report, without the fancy four-color photos and charts, spelled it out. Talking about the operating plan it submitted for the loan guarantees, the report said:

▪ "The company has projected improved penetration of the industry based on its planned new product offerings.

"These projected improvements are dependent on the public acceptance of the design and engineering of the future models as well as the timely introduction of quality products and the development of innovative advertising and marketing techniques.

"There can be no assurance that the company will attain sufficient acceptance of these new models in the competitive marketplace."

That lack of assurance was prompted by 1979 results that


We build and back our cars to guarantee your satisfaction.
The New Chrysler Corporation

Despite the guarantees program, Chrysler sales continued to slip in 1979.

showed the record-breaking loss of $1,097,300,000 coming off 1978's loss of $204,600,000. Sales dropped to $12 billion from $13.6 billion as vehicle sales fell to 1,796,465 units from 2,211,535. Most were sold in North America—1,551,760 in 1979, down from 1,956,573 the year before.

Chrysler continued to lose money and sales in the first quarter. The deficit amounted to $448,800,000. A credit crunch added to Chrysler's woes.

▪ The federal tightening of credit came as Chrysler was trying to raise the $2 billion in nonfederally guaranteed assistance the loan guarantee called for. This money was to come from banks, dealers, suppliers, employes, state and local governments and from the sale of assets. Chrysler raised the loan commitments. A prospectus for $400,000,000 in debentures to be sold to suppliers and dealers laid bare the company's problems.

It recounted how Chrysler's market penetration slipped to 8.9% in the U.S. compared to 13.7% as recently as 1976. Industry sales were slipping but not at the 12% recorded by Chrysler.

Chrysler spent $200,000,000 on sales incentives and cash rebate in the last half of 1979 in a futile effort to stem the tide.

"If industry sales and Chrysler's market share in 1980 do not exceed the fourth quarter 1979 levels (9.3% sales decline against 4.2% for the industry), Chrysler would probably not be able to continue operations," the prospectus said.

Chrysler tried in early 1980, first with $450 per vehicle rebates at a cost of $26,000,000 and then with its "New Chrysler Guarantees" with a $10,000,000 a month estimated cost. The guarantees included a "money back" offer, a $50 test drive payment, and free scheduled service for two years and membership in an auto club which were dropped later.

Admitting that 1978 ad expenditures of $188,900,000 were "excessive," Chrysler told the government in one of its loan application soul barings that it would cut 1979 outlays by 35% and actually accomplished a 37.5% slash. Chrysler ended up 1979 spending an estimated $118,000,000 which included $3,000,000 in special ad allowances to dealer groups against $11,100,000 the previous year.

That left direct factory media outlays at $115,000,000 for 1979 compared with $177,800,000 in 1978.

Tv took the largest slice—$68,425,000—but that was down substantially from the $95,600,000 Chrysler spent in 1978. Magazines dropped to $24,610,000 from $38,600,000 while less expensive media like radio and newspapers showed gains. Newspaper expenditures rose to $8,280,000 from $6,000,000, showing that rebates take a lot of explaining. Radio jumped to $13,685,000 from $5,400,000.

When it came to corporate image-building—a Herculean task—Chrysler spent $9,660,000, up from $500,000 the year before with most of that—$5,474,000—in tv.

Chrysler-Plymouth division with one more nameplate than Dodge outspent its sister unit $57,590,000 to $50,746,000.

None of it made much difference in the 1979 auto market. Only the Dodge Omni and Plymouth Horizon posted any meaningful car sales gains. Chrysler turned them out as fast as it could while other production lines were idled. In all, 124,378 Omnis were sold, up from 89,467 the previous year, and 146,740 Horizons moved, up from 118,993.

The meat of Chrysler's profit makers—the larger cars like the specialty Cordoba and Magnum-Mirada saw precipitous sales declines. Big cars like the St. Regis and Chrysler were up but a lot of those sales were to fleets. Detroit police rode around in Chrysler Newports, for instance, because there was no 1979 Plymouth brand counterpart. The standbys of Chrysler—the compact Aspen and Volare—lost ground. Chrysler put a lot of rebate emphasis on the twins. Volare sold 167,001, down from 210,125, and Aspen fell to 117,777 from 157,308. Both were billed—with a straight face—as the "only" six-passenger car under $5,000.

Trucks, long the mainstay of Chrysler profits, fell out of favor in the gas situation. Van wagons like Sportsman dropped to 30,448 from 44,376 and the Voyager lost to 10,125 from 13,895 in a continuation of a slump.

▪ Four-wheel-drive vehicles like the Ramcharger and Trailduster followed the same pattern but it was in regular light trucks that Chrysler took the worst drubbing. Sales fell to 310,138 from 482,755.

Imports were the only bright spot for Chrysler in both cars and mini-pickups. Colt rose to 62,705 from 44,570; Arrow and Champ rose to 48,860 from 28,296 despite supply problems. Chrysler had trouble getting enough from Mitsubishi (15% owned by Chrysler) as the Japanese showed a preference for payment first. The D-50 imported truck soared to 32,235 units from 1,929 in 1978, nevertheless, and the Arrow pickup rose to 14,897 from 1,215.

Back in the fall of 1978 when the new 1979s were introduced, Chrysler was eyeing 15% of the market from a lofty perch of about 12%. Things went wrong from the start despite Chrysler's heaviest-to-date-opening ad barrage. Chrysler-Plymouth stressed its small cars including the captive imports. There was no full-size Plymouth but the Chrysler Newport was to battle Chevrolet and Ford. Dodge had the big St. Regis and planned to push styling for the intermediate Diplomat and specialty Magnum. All of the cars were hold-over models. The big cars were re-skinned Fury and Monacos but production problems stifled the ballyhoo.

▪ When Mr. Iacocca joined up as president, he decided to double the big car budget. Neil Armstrong, former astronaut, was hired as corporate spokesman to talk about engineering. Chrysler reversed the opening strategy on its Mitsubishi captive imports and lumped them together in a campaign that mentioned the Japanese auto maker by name for the first time. BBDO (Dodge) won the assignment over Young & Rubicam (Chrysler Plymouth).

Mr. Iacocca pledged to carry Chrysler back to advertising basics. He also made advertising history when he fired BBDO and Y&R and hired Kenyon & Eckhardt away from Lincoln-Mercury. K&E would sit in on market planning, Mr. Iacocca said. Gar Laux, lured out of retirement (yes, from Ford) by Mr. Iacocca said, "nobody writes an ad who hasn't driven the car." Mr. Laux became exec vp of sales and marketing.

Chrysler also folded an extended, optional warranty program into its spring advertising but a $53,800,000 second-quarter loss proved a portent. Ad budgets for the fall and the 1980 models would be down, Mr. Iacocca said after an annual meeting. He admitted the special warranty plan wasn't working up to expectations. The featured cars were compacts and trucks and, with gas shortages, the move was on to smaller, more fuel-efficient cars. "We just can't turn our plants on a dime to stay with the market," Mr. Iacocca said.

By August Chrysler was resorting to $400 rebates and sportscaster Joe Garagiola and "Get a car, get a check" came into the vocabulary. Meanwhile, Mitsubishi offered to help Chrysler out if it would release it from an agreement that only Chrysler could sell the Japanese cars in the U.S. Since the captive imports (and domestic Omni-Horizons) were the only cars keeping dealers afloat, Chrysler was unimpressed with the offer.

▪ The rebates worked, for a time. Factories inventories were slashed and Chrysler began its long-awaited reorganization back into separate Dodge and Chrysler-Plymouth divisions.

Mr. Iacocca and other top execs cut their pay to $1 a year and others absorbed a 10% cutback.

Third-quarter losses grew to $460,000,000. Rebates cost the company more than $100,000,000. Ad budgets were slashed. Mirada and Cordoba were placed on Aspen-Volare compact underpinnings and starred as engineers and Ricardo Montalban extolled their virtues. Trucks got a shot at "Ram Tough" and Mr. Iacocca, by now chairman replacing John Riccardo, went on camera. "I'm not asking you to buy any car on faith. I'm asking you to compare," he said in brief tags to existing commercials.

It didn't take very, long before the bottom fell out. Chrysler's sales dropped 57% in October and Mr. Iacocca replaced Mr. Garagiola on a new round of rebates that were called a "special introductory offer." It again was ad history for Chrysler—the earliest ever for rebates.

A month later Mr. Garagiola was back again for rookie Iacocca. Mr. Iacocca had other fish to fry—the $1.5 billion loan guarantee campaign. General Motors and Ford followed with indirect rebates—dealer incentives.

Chrysler began testing the money-back idea and the $50 test drive as the year slogged to a close. Congress approved the guarantee and "The New Chrysler Corp." took to the stump to restore confidence. Chrysler also revived advertising on the captive imports and Omni-Horizon. Chrysler broke factory newspaper ads the last day of the year to say the company "is in business to stay." Mr. Iacocca went back on the tube but networks wouldn't run the spots until the President signed the bill.

Rebate hawker Joe Garagiola wasn't renewed by Chrysler because NBC wanted to expand his sports schedule and feared other auto makers would shun the shows because of his identification with Chrysler.

Sales shot up 78% in the first reporting period following the official passage of the loan guarantees and Chrysler moved its $50 test drive into more markets. Advertising was "the last place where cuts are made," said John K. Givens, director of marketing.

When Chrysler broke its "guarantees" package in January it promised to concentrate "all our advertising and marketing firepower" on the program. That's the one with the money-back, $50 test drive, free service and auto club. "This is the beginning of a whole new way of doing business in the automotive industry," said new president Bermoser. Other auto marketers greeted the idea cooly.

▪ The initial blast started with newspaper statements signed by Mr. Iacocca and was followed by heavy tv and magazine schedules. The idea was to sell more cars but the guarantees were not a one-shot rebate scheme. "It's a new posture for Chrysler," said Jeff Elpern, Chrysler-Plymouth ad manager. Scoffed a rival, "What have they got to lose?"

Chrysler and Peugeot-Citroen signed a deal that would trade Chrysler's marketing savvy for money in a move similar to the American Motors Corp.-Renault arrangement. Chrysler got a loan of $100,000,000 in return for helping the French automaker sell its luxury cars here. Chrysler stock in Peugeot also was pledged.

Chrysler started husbanding its ad funds for the new K-cars in the fall, although Mr. Iacocca had a special kitty designed to keep Chrysler's market share visible. "We have a pretty good idea of what kind of money it will take. With everything riding on that car we've got to tell the public it's here," said Mr. Laux.

The launch of the K-car will be "a very aggressive, expensive and good program. It's going to be the best marketing job in history—better than the first Mustang," said Mr. Iacocca, the "father" of the Ford Mustang.

▪ Despite the guarantees program, Chrysler sales continued to slip and by March it was back with a $450 addition to the $50 test drive if prospects bought the car. It centered on the Mirada-Cordoba and Diplomat-LeBaron—the cars that were featured in the fall. Victor Montalban, son of Riccardo, started pitching Cordoba in hopes of attracting younger buyers. A new Fifth Avenue limited model appeared on the LeBaron and full-sized New Yorker and was the subject of four-color magazine ads in April and May.

But by then Chrysler was into direct rebates once more on everything but the Omni-Horizon. Radio and newspaper were the primary vehicles for comparing Chrysler's rebates with those of other automakers.

Chrysler's Mr. Givens summed up what ailed the U.S. auto industry in a speech to the Adcraft Club of Detroit. "People are buying imports today because they like them, because they're right for the times. Any other excuse we use for their success just won't hold water," he said.

It was the first time a U.S. automotive marketing exec admitted that Detoit's problems were of its own making. Chrysler research shows, he said, "If we don't significantly accelerate development of vehicles that meet or exceed the imports in terms of quality fit and finish, features and pricing, imports will be taking a full 50% of our industry." Sales of imports then were running 27%.

"Detroit must market cars not with domestic competition foremost in mind but with the imports in mind," Mr. Givens said. "Better yet, do it with the needs and desires of the American consumer in mind," he said.

Meanwhile, Chrysler of Canada wasn't doing so hot, either. Car sales slipped to 162,018 units from 178,609 and, as in the U.S., Chrysler lost market share, falling to 16.1% from 18%. Truck sales were off less without the U.S. fuel problems. Unit sales totaled 45,502 down from 47,476 in 1978 for 11.7% of the market down from 12.7%.

▪ Chrysler's nonautomotive operations were a semi-bright spot. Sales rose to $712,300,000 from $679,500,000 in 1978. The divisions include the Defense Group which started production of the XMI turbine powered tank, the Huntsville unit which makes electronics systems and Chrysler Outboard Corp. That division marketed Chrysler's most fuel-efficient vehicle, a cross between a moped and a pair of skis called a Sno-Runner. It seats one person and works like a small snowmobile.

Chrysler Financial Corp. earned $57,600,000, up from $48,500,000. Chrysler Financial completed the sale of almost all its European financial operations to PSA Peugeot-Citroen.

Chrysler Realty was sold to ABKO Realty and Chrysler's Marine division was discontinued with the sale of its boat manufacturing operations.

In marketing personnel changes, Mr. Givens joined Chrysler from Wells, Rich, Greene, Los Angeles, and Arthur C. (Bud) Leibler was named director of merchandising succeeding R. (Ham) Schirmer who joined Campbell-Ewald. Fran G. Hazelroth moved to sales manager East from general manager service and parts. Charles Joiner Jr. succeeded him.

ADVERTISING EXPENDITURES*

	1979	1978
Newspapers	$8,280,000	$6,000,000
Magazines	24,610,000	38,600,000
Spot tv	17,250,000	34,600,000
Network tv	51,175,000	59,000,000
Spot radio	10,350,000	3,000,000
Network radio	3,335,000	2,400,000
Outdoor	——	500,000
Other	3,000,000	44,800,000**
Total	118,000,000	188,900,000

***Estimated by AA**
****Includes direct mail and dealer association advertising.**

ADVERTISING EXPENDITURES**

	1979
Newspapers	$22,765,300
Magazines	13,925,900
Spot tv	13,953,800
Network tv	69,589,800
Spot radio	21,819,400
Network radio	2,146,900
Outdoor	1,491,300
Total measured	145,692-400

****From AA's usual sources**

U.S. AUTOMOTIVE SALES GROUP

MARKETING PERSONNEL

Gar Laux, exec vp-sales & mktg
Jerry H. Pyle, vp-mktg
F. G. Hazelroth, sales mgr, East
William W. Bivens, vp-mktg investment div
Charles Joiner Jr., genl mgr, service & parts
Jack Givens, dir mktg
"Arnie" C. Thomson, mgr, Dodge car & truck adv
Jeff Elpern, mgr, Chrysler-Plymouth adv
R. R. Schneider, mgr, media & budget analysis
A. C. "Bud" Liebler, director U.S. automotive merch
Tom Andre, mgr, dealer merch
Richard C. Hotchkiss, mgr, product merch
William R. Coley, mgr, consumer merch
R. A. Houston, mgr, mktg fleet div
Frank W. Wylie, director-pr-sales & mktg
"Moon" Mullins, mgr, pr-sales & mktg
Tom Houston, mgr, pr-Dodge car, fleet & leasing
Tony Weiss, mgr, pr-Chrysler-Plymouth
Martin Whitmyer, mgr, pr-truck & recreational vehicles
Joe Tetherow, West Coast pr mgr

ADVERTISING AGENCIES

Kenyon & Eckhardt Advertising, Detroit/New York—John J. Morrissey, chairman; Leo-Arthur Kelmenson, president & ceo; Ron De Luca, exec vp; Bruce P. Andrews, senior vp and Detroit genl mgr Imperial; Chrysler-Plymouth: Bruce McRitchie, senior vp & mgmt super; Michael V. Howe, vp & acct super-Imperial and Chrysler; Lynn H. Vernon, vp & acct super-Plymouth. Dodge car & truck: Bill Oswald, senior vp & mgmt super; John Miley, vp & sr acct super; Bob Williams, acct super-car; Dave Hubbard, acct super-truck. Chrysler corporate, Marine, service and parts div, fleet and lease, performance parts, interparts: David L. Kerr, senior vp & mgmt super; Joe Hickey, vp & acct super-corporate, fleet and lease; Walter Dunne, vp & acct super, Marine, service and parts div, performance parts; intl, domestic overseas: Robert Colgan, senior vp and mgmt super; Chrysler-Plymouth dealer assn. and Dodge dealer assn.: J. P. Hickey, senior vp & mgmt super; J. Russell Hamilton, vp & acct super Chrysler-Plymouth; Joseph Cronin, vp & acct super Dodge. Phil Matz, senior vp & media director; William Suchmaun, senior vp & creative director (N.Y.); Paul Stevens, vp & creative dir (Detroit).

Ross Roy Inc., Detroit—corporate merch and all divs—Richard C. Ward, exec vp; Alan Hibbert, senior vp-director mktg; F. Robert Steiger, senior vp-creative director; James B. Jackson, senior vp-group acct super, service & parts/fleet & leasing; Kai R. Friis, senior vp-genl mgr, Canada; Charles A. Hernandez, sr vp, group acct super; Donald F. Baldwin, vp acct super consumer merch; Robert L. Beatty, vp-acct super, service & parts; Francis M. Dattilo, vp-associate creative dir; Donald E. Delozier, vp, administrative services; William J. Donaldson, vp-director rsch & mkt planning; James H. Erkfitz, vp-acct super, truck; Richard J. Kociela, vp-acct super, training; Michael L. Labiak, vp-associate creative director; R. John Oliver, vp-acct super, dealer merch; Robert J. Solano, vp-associate creative director; Peeter Muhlberg, acct super, intl; James V. Vehko, director prod information.

Top 25 spot radio advertisers

Rank	Advertiser	Expenditures 1979	Expenditures 1978
1	General Motors Corp.	$24,858,717	$20,202,000
2	Chrysler Corp.	21,819,355	27,668,000
3	Anheuser-Busch	19,567,138	12,315,000
4	Ford Motor Co.	12,211,311	6,475,000
5	American Telephone & Telegraph Co.	9,204,472	4,800,000
6	U. S. Government	6,882,109	5,963,500
7	General Foods Corp.	6,452,863	1,126,400
8	Coca-Cola Co.	6,133,224	6,278,800
9	Delta Air Lines	5,939,057	5,614,000
10	K mart Corp.	5,731,581	3,494,500
11	Nissan Motor Co.	5,697,908	7,834,000
12	UAL	5,323,222	3,740,900
13	PepsiCo	4,897,145	6,506,000
14	Philip Morris	4,629,187	5,118,900
15	Heublein	4,371,049	3,450,000
16	Jos. Schlitz Brewing Co.	4,327,352	3,315,000
17	American Home Products Corp.	4,132,397	3,855,000
18	Eastern Air Lines	3,942,408	2,901,000
19	Toyota Motor Co. Ltd.	3,615,628	3,351,000
20	Levi Strauss & Co.	3,563,200	5,616,000
21	Colgate-Palmolive	3,541,030	2,705,300
22	American Airlines	3,540,382	3,408,100
23	Standard Brands	3,053,409	502,400
24	Trans World Corp.	2,863,595	3,573,100
25	Ralston Purina Co.	2,729,532	3,959,000

Source: Radio Advertising Bureau and Radio Expenditure Report.

CHRYSLER-PLYMOUTH ADVERTISING EXPENDITURES*

	1979	1978
Newspapers	$4,032,000	$2,000,000
Magazines	11,985,000	20,000,000
Spot tv	8,400,000	15,400,000
Network tv	24,922,000	30,000,000
Spot radio	5,040,000	400,000
Network radio	1,624,000	400,000
Direct mail	——	500,000
Outdoor	——	200,000
Dealer assn. funds	1,587,000	5,500,000
Other	——	——
Total	57,590,000	74,400,000

***Estimated by AA**

RETAIL SALES (U.S. IN UNITS)

	1979	1978
Horizon	$146,750	$118,933
Volare	167,091	210,125
Fury	2,681	60,378
Gran Fury	746	980
Voyager	10,125	13,895
Arrow/Champ (import)	48,860	28,296
Arrow pickup (import)	14,897	1,215
Sapporo (import)	12,322	12,777
Trailduster	5,678	7,350
Total Plymouth	409,150	454,009
LeBaron	99,588	125,558
Cordoba	61,801	105,442
Chrysler	87,451	67,892
Total Chrysler	248,840	298,892
Total C-P division	657,990	752,901

DODGE CAR & TRUCK ADVERTISING EXPENDITURES*

	1979	1978
Newspapers	$ 3,552,000	$ 2,000,000
Magazines	10,557,000	17,000,000
Spot tv	7,400,000	18,700,000
Network tv	21,954,000	29,000,000
Spot radio	4,440,000	1,000,000
Network radio	1,430,000	1,000,000
Direct mail	——	1,800,000
Outdoor	——	300,000
Dealer assn. funds	1,413,000	5,600,000
Total	50,746,000	76,400,000

RETAIL SALES (U.S. IN UNITS)

	1979	1978
Omni	124,378	89,497
Aspen	117,777	157,308
Diplomat	45,131	60,656
Monaco	2,554	37,594
Mirado/Magnum	24,784	48,326
St. Regis/Royal Monaco	28,303	5,238
Colt (import)	62,705	44,570
Challenger (import)	14,166	17,649
D-50 (import)	32,235	1,929
Sportsman	30,448	44,376
Ramcharger	14,575	18,345
Other trucks	310,138	482,755
Total Dodge division	$807,194	$1,008,243*

***Restated.**

MARINE DIVISION

MARKETING PERSONNEL

John S. Cox, director, mktg

ADVERTISING AGENCY

Kenyon & Eckhardt Advertising, Detroit/New York—David L. Kerr, senior vp-mgmt super; Walter Dunne, vp-acct super.

INTERNATIONAL OPERATIONS

MARKETING PERSONNEL

Richard S. Cool, mgr intl adv & merch

ADVERTISING AGENCY

Kenyon & Eckhardt Advertising, Detroit/New York—Robert Colgan, vp-super.

AMPLEX DIVISION

MARKETING PERSONNEL

John Doyle, sales mgr

ADVERTISING AGENCY

Ross Roy Inc., Detroit—Harry W. Kintter, acct super.

ADVERTISING EXPENDITURES CORPORATE*

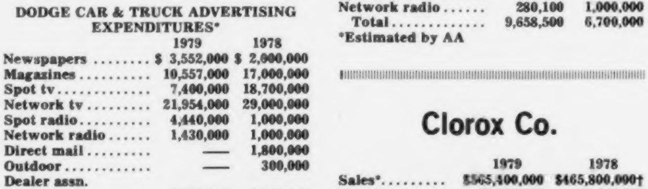
	1979	1978
Newspapers	$ 695,000	$2,000,000
Magazines	2,067,000	1,600,000
Spot tv	1,449,000	500,000
Network tv	4,298,000	——
Spot radio	869,400	1,600,000
Network radio	280,100	1,000,000
Total	9,658,500	6,700,000

***Estimated by AA**

Clorox Co.

	1979	1978
Sales*	$565,400,000	$465,800,000†
Earnings*	37,300,000	34,645,000
Advertising	72,590,000	60,424,000

***Sales include figures of continuing operations, while earnings reflects both continuing and discontinued operations.**
†restated to reflect discontinued operations.


Clorox' Duraflame campaign emphasizes the product's easy use.

Clorox Co., Oakland, Cal., the 60th largest national advertiser, increased ad spending by about 20% to $72,590,000 in 1979 from $60,424,000 in 1978.

The company's earnings for fiscal year ending June 30, 1979, which rose 7.8% from 1978 to $37,300,000, reflected the sale of four operations. Corporate sales, meanwhile, totaled $565,400,000, up from the restated 1978 sales figure of $465,800,000.

Clorox got out of the food service business by selling the Martin-Brower Co., a distributor of food to restaurants. It also sold Jemco, a manufacturer and marketer of paper and plastic bags; Mandate-Roman, a Canadian household products company, and Country Kitchen Foods, a mushroom grower based in Great Britain.

Acquisitions during fiscal 1979 included: Duraflame, the No. 1 selling firelog in the U.S., and Emil Villa Restaurants, a $6,000,000 Oakland-based chain of barbecue restaurants.

Reflecting increased competition from generics, and branded and private label products sales of Clorox liquid bleach and Clorox 2 powdered bleach, the company's two largest brands, decreased during fiscal 1979.

Though noting inroads made by the generic and private label competitors, Clorox still maintains its position as the "leading liquid bleach," according to a company official.

Clorox put its biggest ad expenditure, $47,055,300, behind Clorox liquid bleach. The majority of that amount was in network tv. Commercials by Foote, Cone & Belding/Honig, San Francisco, featured testimonials from real life users of the bleach, and the theme of the campaign remains "Notice the difference Clorox makes *vs.* detergent alone."

Clorox also expanded its involvement in the barbecue-outdoor cooking market with the national introduction in May, 1980, of Match lite instant lighting charcoal, spending $350,600 on spot tv, newspaper and magazine advertising. Ads emphasized the fast-lighting capabilities of the lighter fluid-infused charcoal with the theme of the introductory campaign, "the no-hassle charcoal."

Thirty and 60-second tv spots by Young & Rubicam/West, San Francisco, showed Match lite being poured into a grill and lighted, followed by a steak being cooked while a voiceover extolled the attributes of the fast heating and cooking charcoal.

Clorox' regular charcoal brand, Kingsford, which dominates the regular $225,000,000 charcoal market, continued to emphasize its "edge" in ads by Botsford Ketchum, San Francisco. Clorox spent $2,215,000, mostly on network and spot tv on Kingsford ads in 1979.

Clorox followed the example of its former parent company, Procter & Gamble, in assigning Kingsford and Match lite to different ad agencies.

"Though Match lite is considered a competitive brand, so far its sales haven't hurt Kingsford," said a marketing executive responsible for the regular charcoal brand.

Botsford also handles advertising for Duraflame, fireplace logs category.

Another Clorox brand assigned to Botsford is Litter Green cat litter, which introduced Carol Channing as a spokeswoman in 30-second tv spots. "I'm sure of only two things . . . diamonds and Litter Green," says Miss Channing as she pets a langorous feline with her bejeweled hand.

At the annual meeting in Oakland on Oct. 18, 1979, Mr. Shutt, who in July, 1980, became chief executive officer to succeed Robert B. Shetterly, told shareholders that Clorox will continue research and development of new brands.

The company's association with Henkel KGA, Germany's leading detergent and household products marketer, limits the German company to holdings of 20% of Clorox stock. But sources acknowledged this could change.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$94,500	$279,200
Magazines	4,770,100	6,560,500
Spot tv	2,706,400	5,712,100
Network tv	39,578,800	34,125,470
Total measured	47,149,800	46,778,600
Unmeasured	25,440,200	13,645,400
Estimated total	72,590,000	60,424,000

MARKETING PERSONNEL

R. B. Shetterly, chairman
E. H. Shutt, president, ceo
Calvin S. Hatch, exec vp
Carl V. Stinnett, vp-sales
C. J. Swenson, vp-household prods div
David L. Goodman, vp-public affairs & mktg services
M. R. Gallagher, adv mgr-household products div
D. L. Spencer, adv mgr-Kingsford div
M. Perry adv mgr, Clorox food services prods div
Patricia Korr-Roschke, media mgr

ADVERTISING AGENCIES

Foote, Cone & Belding/Honig, San Francisco—Clorox bleach, Clorox 2, Formula 409, Soft Scrub, Twice As Fresh—C. L. Gould, mgmt super.

Botsford Ketchum, San Francisco—Liquid Plumr, Litter Green, Cooking Ease, Kingsford briquets, Duraflame firelogs—L. Upshaw, G. E. Meredith, mgmt supers.

Young & Rubicam/West, Los Angeles and San Francisco—BinB Mushrooms, Cream of Rice hot cereal, Kitchen Bouquet, Match lite charcoal, Salad Crispins, Hidden Valley Ranch salad dressings—K. Mill, R. A. McLean, M. B. Barton, mgmt supers.

Merchandising Factory, San Francisco—food service products—M. Hungler, acct super.

Coca-Cola Co.

	1979	1978
Sales	$4,961,400,000	$4,337,900,000
Earnings	420,100,000	374,700,000
Advertising*	169,271,000	138,805,300

***AA estimate**

The Coca-Cola Co., Atlanta, the 18th largest national advertiser, increased its ad spending 22% to an estimated $169,271,000 in 1979.

Total net sales rose 14% to $4.96 billion in 1979, while company earnings increased 12% to $420,100,000. Overseas operations contributed 46.3% of sales income, compared with 45.7% in 1978.

Coca-Cola soft drink, the company's flagship brand, received the bulk of media spending, with $19,187,000 in spot tv and $19,072,500 in network tv. Another $2,531,900 was allocated for outdoor ads and $881,600 for magazines. Tab diet cola and Sprite lemon/lime soft drink together received about $21,500,000 in tv support.

Coca-Cola led the industry with a 23.9% market share, topping archrival Pepsi-Cola's 17.9% slice of the beverage market. Seven-Up was next with 5.6%. Tab is the No. 1 diet drink and places fifth in the over-all market, coming up with a 3% share.

■ "Have a Coke and a smile" launched Coca-Cola to new heights of advertising awareness as well as record sales. After the campaign's introduction in the summer of '79, the spot starring Pittsburgh Steelers "Mean" Joe Greene reached the highest awareness level of any Coke ad since 1975.

Continuing the sports celebrity theme, Coke recently produced spots with Jim Craig, U.S. Olympic hockey team goalie, through McCann-Erickson, New York.

Although the soft drink marketer may have scored well at the Winter Olympics, plans to move into the Soviet Union went awry with the U.S. boycott of the Moscow games. Coke agreed not to supply beverages to the summer games but has already made a $15,000,000 (unconfirmed) offer to be the official soft drink of the 1984 Summer Olympics to be held in Los Angeles.

Coca-Cola was busy on other international fronts. After a 30-year absence, Coke returned to China in January of '79. One year later in February, 1980, ground was broken for a bottling plant in Peking. The company expects the new facility to produce 1,300,000 cases per year.

■ Coca-Cola also reentered Egypt in July, 1979, thanks to President Anwar Sadat's Open Door policy. More than $100,000,000 has been spent to establish nine bottling plants and one concentrate plant in the Middle East nation. All should be in operation by late 1980 and 1982, supplying the Arab world with 40,000,000 cases of Coke a year.

A heavy advertising schedule in Cairo is helping Coca-Cola overcome Pepsi and Sport (Canada Dry) colas, which are already entrenched in the market. American-made commercials air daily on Egypt's two government-owned stations.

Another significant international development was the introduction of a 1.5-liter bottle in Great Britain and Ireland. Its immediate popularity contributed, no doubt, to the 20% growth in unit sales in those countries. The same size bottle was also introduced to Germany and Spain.

■ Back on the home front, a recent management shake-up left the industry buzzing and sparked rumors of a major agency switch, although nothing has been substantiated. Roberto Goizueta, formerly one of six vice-chairmen who reported to ceo J. Paul Austin, was named president and chief operating officer in May, 1980, filling a position empty since the August, '79, resignation of J. Lucian Smith. In early August, Mr. Goizueta was tapped to succeed Mr. Austin as chairman and chief exec after Mr. Austin's retirement next March. Mr. Goizueta, a 48-year-old chemical engineer, is known as an efficient administrator but has no direct marketing or selling experience.

Newcomers Mello Yello and Ramblin' root beer both fared well in their first full year on Coke's soft drink roster. Mello Yello reached 50% national distribution early in 1980 and is rapidly gaining a foothold in Pepsi's Mountain Dew territory. New spots by McDonald & Little, Atlanta, show athletes chugging the "world's fastest soft drink." Coca-Cola expects this citrus-flavor drink to overtake Mountain Dew by the end of this year.

Ramblin' root beer looks like another success story. Introduced in June, 1978, to the Salt Lake City market, it has become the No. 1 root beer there. "Something more" is the theme for ads by Kenyon & Eckhardt.

Sprite dropped its seven-year "tastes like a lymon" theme for "when you're reaching for more, reach for Sprite." Media weight was increased to $20,000,000 for the new campaign that broke in March. The push included new graphics—the redesigned can has an orange dot to replace the old starburst. Marschalk Co., N.Y., handled.

■ Mr. PiBB received a new formula, perceived as more thirst-quenching and refreshing, and, in April, Coke announced plans for 50% distribution of the cherry-flavored cola. Marschalk Co. designed the new ads urging consumers to head "toward the great new taste of PiBB."

Diet soft drinks constituted almost 12% of Coca-Cola's 1979 volume, with Tab the leader by far. The "beautiful drink for beautiful people" was revamped with new deep red graphics for wider appeal.

New packaging and new taste were also in the works for Fresca, Coke's diet citrus drink. Coke used the established Fresca brand name to distribute its essentially new soft drink nationwide. The new Fresca is sweeter and has less aftertaste, plus bold white, green and yellow graphics.

Coca-Cola Foods division is the company's marketing arm for a variety of products outside the carbonated beverage sphere, including the Minute Maid, Hi-C, Snow Crop, Butternut and Maryland Club brand names. About $37,000,000 was spent in media for this division in 1979.

■ Coca-Cola Foods and other non-soft drink operations account for 24.1% of net sales worldwide. Sales for the foods division broke the $1 billion mark for the first time in 1979.

Under the Minute Maid banner, the company's chilled orange juice product completed its six-year rollout with a national magazine campaign and increased use of network tv. In March, 1980, Marschalk Co. dropped ad presenter Kathryn Crosby to develop the theme, "Make sure. Make it Minute Maid."

Minute Maid is now testing shelf-stable grapefruit juice in jars. Also in test is Sofia, a liquid yogurt drink being marketed in Portland, Me., and Rockford, Ill. The new product, handled by F. William Free & Co., is aiming to capture Coke a piece of the $600,000,000 yogurt market.

Apple and tangerine flavors expanded Hi-C's 30-product line, and Five Alive, the frozen concentrate fruit beverage, was introduced nationally this fall after its successful debut in 1978.

The Wine Spectrum is Coke's fastest growing subsidiary and is now the fifth largest wine producer and marketer in the U.S. Sterling Vineyards, Monterey Vineyard, Taylor and Great Western New York State brand names make up the Coca-Cola unit.

■ New developments included more comparison ads reminiscent of 1978's controversial Taylor spots naming rival brands in a taste test. This time, Monterey Vineyard introduced its Classic California Red wine in print ads featuring John Avery, a noted wine expert, comparing the California wine with nine French red Bordeaux wines. Kenyon & Eckhardt has the account.

Taylor also launched a new line of premium generic wines, and, in December, Coke signed an agreement to become the sole U.S. marketer of Cinzano vermouth and Asti Spumanti sparkling white wine.

Coca-Cola's nonbeverage operations are divided between its industrial Aqua-Chem division and the Consumer Products division. Aqua-Chem is a world leader in the manufacture of water purification equipment and its Cleaver-Brooks division produces boilers and related equipment.

The Consumer Products division unites Presto Products (plastic film and bags), Winkler/-Flexible Products (plastic cutlery and straws), Universal Water Systems (water conditioning equipment) and Belmont Springs (bottled water) under central management. Advertising for both Aqua-Chem and Consumer Products is primarily in trade magazines and trade shows.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$4,711,100	$4,293,700
Magazines	3,786,200	3,116,400
Spot tv	46,700,100	44,434,500
Network tv	58,482,100	48,103,900
Spot radio	6,133,200	6,278,800
Outdoor	3,098,700	2,578,000
Total measured	122,911,600	100,805,300
Unmeasured	46,360,000	38,000,000
Estimated total	169,271,000	138,805,300

COCA-COLA USA

MARKETING PERSONNEL

Herbert Arnold, vp-fountain sales
Albert E. Davis, director of media services
Walter Dunn, vp-mgr brand presence
R. Bruce Gilbert, vp-image dominance
Marvin Griffin Jr., vp-bottler operations
Marc Hamburger, mgr, mktg planning
William Sharp, vp-adv and promo services
William W. Van Loan, vp-mktg services
Carl Ware, vp-special mkts mgr
G. Donald Wilson, vp-mktg devel
Sergio Zyman, director of mktg operations

FOODS DIVISION

MARKETING PERSONNEL

Eugene Amoroso, senior vp-mktg
Al Munkelt, vp-director mktg planning-frozen & chilled prods
Bob Fey, vp-genl sales mgr
Clint Owens, vp-director of consumer sales
Norm Jenkins, vp-director of food service
John Youngjohn, group brand mgr, Minute Maid frozen juices
Steve Brody, group brand mgr, ades and juices
Harry Robinson, group brand mgr, chilled prods
John Weslar, group brand mgr, Hi-C fruit drinks and drink mixes
Frank Blod, group brand mgr, coffee prods
Jay Mower, director, new product devel
Joe Martindell, director, mktg services

THE WINE SPECTRUM

MARKETING PERSONNEL

Harry Teasley, president
Lloyd G. Magee, senior vp
Michael V. Cheek, vp-sales admin & director of sales
Peter S. Sealey, vp-mktg planning
Michael P. W. Stone, vp-mkt devel
Margaret Stern, vp-external affrs
Thomas Muller, vp, finance & admin
Michael J. Doyle, exec vp & genl mgr, Taylor wine

AQUA-CHEM

MARKETING PERSONNEL

G. Roy MacGregor, vp-mktg & sales, Cleaver-Brooks div
Richard Schantz, vp-mktg, Water Technologies div
Lee Danielson, vp-mktg & sales, Industrial Combustion
W. Worth Ware, director, adv and pr (corporate and divisions)

ADVERTISING AGENCIES

McCann-Erickson, New York and Atlanta—all brands—Charles J. Hamm, vice-chairman, McCann-Erickson USA, mgmt rep for Coca-Cola Co.; E. Don Challis, senior vp-mgmt rep, Tab, Fanta, new prod; David A. Clapp, acct super, Tab, Fanta; Peter Hamilton, vp-mgmt super; Robert Schmidt, vp-acct super, sales promo & mdse; Dan Dodson, senior vp-mgr, promo mktg; Dwight Shelton, senior vp-mgr, CNN & field oper; Ron Sugarman, senior vp-mgmt rep; Clark Ford, vp & field mgmt, director, Coca-Cola Europe and Africa; George Teichholz, vp-acct super, North and South America; Arthur O'Brien, acct super, Coca-Cola, Fanta and Sprite; Lawrence Glucs, acct exec; Jim Buckley, acct exec, Tab.

Burrell Advertising, Chicago—black consumer advertising—Ronald Sampson, exec vp-client services; Keith Tunnell, senior vp-mktg services; Eugene Morris, vp-acct super; Tom Burrell, president & creative director.

Bozell & Jacobs, Milwaukee—Aqua-Chem and divisions—M. McGlinchey, acct super; G. Boehm, media serv, B. Stroschein, creative director; W. Vollmar, pr acct exec.

Kenyon & Eckhardt, New York—The Wine Spectrum—John Balson, senior vp-genl mgr; W. W. Young, vp-mgmt rep; Charles Saffron, vp-mgmt super; Michael Weinstein, vp-acct super, Cinzano; Mary Van Hewel, vp-acct super, The Monterey Vineyard, Great Western, Taylor Champagne; Lois Hanna, senior acct exec, Taylor California Cellers and Taylor Lake Country; Miriam Cohen, acct exec, Taylor Sherry; Doreen Bellac, asst acct exec, Taylor California Cellars and Taylor Lake Country; G.J. McGreevy, asst acct exec. Coca-Cola USA—W. Young, mgmt rep; M. Weinstein, acct super; Marcy Glanz, acct super.

Marschalk Co., New York—Minute Maid frozen concentrated orange juice, chilled orange juice, frozen and chilled variety juices, ades and punch, Minute Maid lemonade crystals, and 100% pure frozen lemon juice—Dick Villante, senior vp-mgmt services director; Marsha Badanes, vp-acct super, and Darryl Lindberg, acct exec, Minute Maid frozen concentrated orange juice, Marsha Bandanes, vp-acct super, and Barbara Lawrence, acct exec, Minute Maid frozen ades and variety juices; Dennis Zolnierzak, vp-acct super, Minute Maid chilled products; Elizabeth Garland, acct exec, Minute Maid chilled orange juice; Richard LeBlond, acct exec, Minute Maid chilled ades; Richard Roth, acct exec, Minute Maid lemonade crystals; Greg DiLorenzo, acct exec, Minute Maid 100% pure frozen lemon juice. Sprite and sugar-free Sprite, Mr. PiBB and sugar-free Mr. PiBB—Arthur Wilen, senior vp-mgmt services director; Don Richards, vp-acct super. Sprite—Mitchell Weeks, acct exec.

McDonald & Little, Atlanta—Hi-C fruit drink and drink mixes—Dick Upson, senior acct super; Bill McBride, acct super; Sandi Gerber, acct exec. Fresca—Dick Thomson, mgmt super; Ken McCarren, acct super; Don Hofmann, acct exec. Mello Yello—Dick Thomson, mgmt super; Peter Reader, acct super; Donald McDonald, acct exec.

Tinker Campbell-Ewald, New York—Snow Crop frozen concentrated orange juice, Snow Crop Five Alive, Bright & Early, and new prods—Mike Kammerer, mgmt super; Charles Richardson, vp, mktg mem-acct planning unit; Steve Kornhauser, acct exec, Snow Crop Five Alive; Tony Stanol, acct exec, Snow Crop orange juice, Bright & Early, new prods.

Campbell-Mithun, Minneapolis—Butter-Nut and Maryland Club brand coffees—Joe Carpenter, vp-mgmt super; Jim Stein, vp-exec creative director; David Normington, acct super; Greg Coward, acct exec.

Colgate-Palmolive Co.

	1979	1978
Sales	$4,494,000,000	$3,980,000,000†
Earnings	113,548,000	175,572,000
Advertising*	122,500,000	122,500,000

*** U.S. only; estimated by AA**
† Restated

Colgate-Palmolive Co., New York, the 37th largest national advertiser, held its advertising at the $122,500,000 level during a year of major reorganization and divestment of unwanted businesses.

The year saw Colgate place more emphasis on its traditional household businesses as new chief executive officer Keith Crane took immediate steps to reshape the company.

Worldwide sales rose 13% to $4.5 billion. As the result of a study on growth potential and profitability, a number of subsidiaries were recorded as discontinued operations. These included Helena Rubinstein, Ram Golf, Leach Industries, Hebrew National and other sports equipment and restaurant companies. These companies have either been divested or are on the selling block.

A cavity in one tooth can lead to a cavity in the next tooth. Can her toothpaste help prevent it?
Colgate
Colgate

Colgate-Palmolive's Colgate toothpaste ran a series of ads on dental care.

Earnings rose 4% to $137,000,000, but net income for 1979 declined 35% to $114,000,000, reflecting the loss from discontinued operations.

Worldwide, Colgate invested $273,000,000 in advertising, a 9% hike over 1978.

By mid-year, Colgate was successful in selling Ram Golf, Hebrew National and Bancroft Sporting Goods. Several near deals to get rid of the ailing Helena Rubinstein business fell through, before Albi Enterprises bought Rubinstein for $20,000.000, to be paid to Colgate over the next 16 years.

■ Colgate also dropped its sponsorship of a number of professional golf and tennis tournaments as the company decided that those financial and management resources could be used better elsewhere. It dropped the Grand Prix of tennis, a men's professional tour; three women's golf events (Colgate Triple Crown, Colgate European Open and Colgate Far East Open) and three men's golf events (Colgate-Hall of Fame Golf Classic, World Match Play Championship in Britain and British PGA Championship).

There were reports last year that Colgate itself was on a possible acquisition list of Seagram Co. Ltd., Montreal, but the distiller denied any consideration of a Colgate takeover.

Colgate reorganized its traditional domestic businesses by uniting household and personal care marketing and sales staffs. The company reported that sales for these businesses as well as Associated Products and Marisa Christina rose 5%.

- Highlights of 1979 marketing, according to Colgate, were the national expansion of Dermassage dishwashing liquid; expansion of Fresh Start (which completed national distribution this year); testing of Fab liquid, new scents of Irish Spring and Ajax scouring creme, and strengthening of market share of Colgate toothpaste.

Colgate's share of the $1.8 billion detergent market remained under 10%. Fab powder was Colgate's biggest selling brand again with over 3%, followed by Dynamo at just under 3%. Cold Power remained at 2.5%.

Colgate's hopes are pinned on Fresh Start concentrated powder, which obtained over a 2% share nationally while in just over half of the country.

The company poured its heaviest detergent spending into the new brand, which received $6,800,000 in measured media. Packaged in a clear hard plastic bottle, the brand completed its national expansion this spring, and Colgate promised a $49,000,000 advertising and promotion budget for the debut.

In older markets, Colgate introduced new advertising showing ways that people can get a fresh start on the day with Fresh Start to brighten their dingy clothes.

- The next heaviest detergent backing went to Dynamo liquid with $6,600,000. Other brands with substantial support included Fab with $3,900,000 and Cold Power with $1,800,000.

In the light duty detergent market, Palmolive remained Colgate's strongest entry with a 12% share as backing continued to exceed $7,000,000. The company's share of the category rose slightly to 19.5%.

Spending for Dermassage dishwashing liquid was boosted to $9,700,000 and Ajax dishwashing liquid received $1,000,000 in measured media support.

The Ajax line of cleaning aids was backed by $6,400,000, with dishwashing liquid and liquid cleaner receiving most of the support.

Colgate holds about 10% of the toilet soap market. Irish Spring, its biggest entry, has about half of the total. Cashmere Bouquet, Palmolive and Dermassage account for the rest. The company continued to test Experience toilet soap. Heaviest backing went into Irish Spring with a $5,000,000 budget.

Another household product, Baggies, the No. 2 entry, received $1,500,000 in ad backing.

- Colgate acknowledged increased competition in the dentifrice category with the introduction of Beecham's Aqua-Fresh. But Colgate toothpaste continued to hold the No. 2 slot with 18% of the market although the company's Ultra Brite share slipped to 3.5%. A new campaign for Ultra Brite that broke this summer uses a fantasy woman touting the cosmetic benefits of Ultra Brite. Advertising is tagged, "For a smile so bright. It gets you noticed."

Spending for Colgate toothpaste last year was $16,400,000, the company's heaviest backed product, and $2,400,000 for Ultra Brite.

Mersene denture cleanser and Fluorigard dental rinse continued to receive significant backing during their first full year on the market. Fluorigard, which captured close to 3% of the mouthwash category, received $5,200,000 in ad backing. Mersene got $2,800,000 in measured media.

In the same division Colgate expanded testing of Hair Defense "hair cuticle protector" into additional test markets.

The company's sports and recreation division continued to wind down as Colgate sold off Ram, Bancroft and Leach businesses. The Rubinstein line, which Colgate was finally rid of this year, received $2,700,000 in ad backing last year.

- Sales in the foods division rose 6% as Colgate divested itself of Hebrew National, Lum's and Ranch House restaurants. Riviana's Success rice has become the No. 2 brand in the $90,000,000 instant rice segment as Colgate invested $1,100,000 in the brand. Riviana's combined rice brands, Carolina, Mahatma, Water Maid, Bake It Easy and Success, make it the leading U.S. marketer of branded rice, although Uncle Ben's is the leading single brand.

This year, Colgate continued to refine its management structure and moved from a traditional brand management system to a category management system. A senior level executive now heads the company's three major traditional businesses—heavy duty detergents, light duty liquids and oral hygiene products—replacing the group brand managers, whose products were not necessarily in the same categories. The category managers are Tony De Nisco (laundry detergents), David Enfield (oral hygiene) and Madi Ferenz (dishwashing liquids).

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$2,287,700	$2,719,900
Magazines	9,086,600	6,529,900
Farm publications	—	128,200
Spot tv	27,751,500	34,630,600
Network tv	52,928,200	49,678,200
Spot radio	3,541,000	2,705,300
Network radio	531,400	504,100
Outdoor	6,600	9,300
Total measured	96,133,000	96,905,500
Unmeasured	26,367,000	25,594,500
Estimated total	122,500,000	122,500,000

MARKETING PERSONNEL

Keith Crane, chairman/president/ceo
Reuben Mark, group vp-Colgate-domestic
William Powell, group vp for diversified cos.
Roderick Turner, group vp-Colgate-intl

MARKETING SERVICES DIVISION

MARKETING PERSONNEL

A. Allen, vp-creative services
D.E. Jordan, vp-adv intl
S. Haver, creative director, special projects
N.J. McHugh, director, technical pkg
W.E. Melick, director, sales promo
S.A. O'Brien, director, business rsch
G.S. Parker, mkt rsch director
H.D. Way, director, media
E.G. Winterhoff, director, new ventures

DOMESTIC MARKETING

MARKETING PERSONNEL

John Watkins, vp
Robert Blanchard, director of mktg, new prods
A.X. DeNisco, D.L. Enfield, M. Ferencz, category mktg mgrs
L. Deming, M.J. Jennings, M.C. Johnson, E.H. Wallin, grp prod mgrs

ASSOCIATED PRODUCTS DIVISION

MARKETING PERSONNEL

L.K. Hollering, vp-genl mgr
W.R. Voorhees, A.P. Chadourne, mktg directors

ADVERTISING AGENCIES

Norman, Craig & Kummel, New York—Cold Power, Mersene, Ajax all purpose cleaner, Ajax laundry detergent, Ajax dishwashing liquid, Ajax cleanser, Pine Forest Ajax, House of Ajax—Alfred Evans Jr., senior vp/mgmt super; George Handley, senior acct super; Bill Black, acct super; John Quealy, senior acct exec; Jeri Sedlar, Lillian Kennedy, Michelle Perr, acct execs.

William Esty Co., New York—Irish Spring, Ultra Brite, Hair Defense, Fab, Fab liquid, Dermassage dishwashing liquid, Dermassage moisture bar—Andrew Allen, senior vp/mgmt super; Richard Geyer, Joseph Breen, vp/acct supers; Jean Giblin, Ray LaFrance, Andrew Mockler, Donna Klein, Peter Britton, acct execs; Alex Walker, Cindy Anderson, Peter Winer, Stephen Doyle, Richard Ginsberg, asst acct execs.

Ted Bates & Co., New York—Colgate toothpaste, Palmolive liquid, Fluorigard, Palmolive Rapid Shave—Robert Bruns, exec vp; Joan Rothberg, senior vp/mgmt rep; Geoff Clarkson, Chris Norgaard, vp/acct directors; Ila Feld, Scott Messinger, Andrew Pasheluk, acct supers; Mark Seifert, Andrew Rider, acct execs; Diane Kalebjian, Dolly Bodick, acct coordinators.

Kenyon & Eckhardt, New York—Fresh Start, Axion, Curad, Telfa—John Horne, senior vp-mgmt rep; Jack Couch, mgmt super; Peter Hall, Patricia Stewart, acct supers; Marc Isenberg, Joshua Mortiz, acct execs, Reese Willis, Robert McGreevy, asst acct execs.

D'Arcy-MacManus & Masius/de Garmo, New York—Baggies, Dynamo, Palmolive soap, Dermassage, Handiwipes, Wildroot, new prods—Mark Cooper, senior vp-mgmt super; Alex Berger, vp-group super; Dick Byrne, vp-acct super; Nigel Bishop, Nina Dansky, Simon Abrahams, acct execs.

SPORTS & RECREATION DIVISION

MARKETING PERSONNEL

J.E. Grimm III, vp-genl mgr

SOUTHERN ATHLETIC

MARKETING PERSONNEL

J.M. Axford, president
J. Corbett, mktg mgr
R. Jacobstein, product devel

CHARLES A. EATON CO.

MARKETING PERSONNEL

S.D. Tannen, president
J.R. Larsen, vp-mktg

AJD CAP CORP.

MARKETING PERSONNEL

I. Joel, president

ADVERTISING AGENCIES

Lavidge & Associates, Knoxville, Tenn.—Southern Athletic—Hal Ernst, acct exec.

Horton, Church, Goff, Providence—Eaton—John Quinn, vp.

KENDALL CO.

MARKETING PERSONNEL

J.D. Sherratt, president/ceo
R.L. Gilson, director-mktg services
R.A. Murray, genl mgr adv and promo

Hospital Division

T.E. Tierney, group vp-worldwide
C.P. Bruen, vp-domestic
J.F. Hughes, director-mktg
K. Wester, adv mgr

Fiber Products Division

K.W. Hays, genl mgr
G.A. Cox, director-mktg
D. Battelle, adv mgr

Industrial Fabrics Division

J.H. Jacobsmeyer, genl mgr

ADVERTISING AGENCIES

Ingalls Associates, Boston (media)—E. Dodge, acct super.

Image Consultants, Boston (creative)—G. Nadeau, president.

Polyken Division

F.J. Zeitvogel, genl mgr
T. Gilmore, mktg mgr

ADVERTISING AGENCY

Provandie & Chirurg, Boston

Consumer Division

E.E. Hinds, genl mgr

ADVERTISING AGENCY

Humphrey, Browning, MacDougall, Boston—Curity diapers, baby clothing—T. Hutchinson-acct exec.

ACCESSORIES DIVISION

Marisa Christina Inc.

D. Seiniger, president

Princess House

Betty Bowes, director-promotional services
Peter McBride, mktg mgr

ADVERTISING AGENCY

North Castle Partners, Greenwich, Conn.—Charles Taney, senior partner & mgmt super; James Bonner, acct super; Carol Davis, acct exec.

RIVIANA FOODS

MARKETING PERSONNEL

F.A. Godchaux III, ceo
R.E. West, exec vp-sales & mktg, Riviana Rice, USA
C.L. Haines, mktg mgr, Riviana Rice, USA
Richard L. Carte, D.V.M., vp-pet prod mktg, Hill's Pet Products
Donn Harling, mktg director, Hill's Pet Products
Joseph L. Weinberg, vp-Holiday Chain, Hill's Pet Products
J. Richard Valentine, dir-mktg, Pangburn's Co.

ADVERTISING AGENCIES

Bloom Agency, Dallas—Riviana Rice USA—Kay Dye, acct exec.

Brewer Advertising, Kansas City—Holiday—Fred Boehner, acct super.

Harmon Smith Advertising, Kansas City—Hill's—John Lee Smith, exec vp.

Consolidated Foods Corp.

	1979	1978
Sales	$5,000,000,000*	$4,720,266,000
Earnings	125,000,000*	111,408,000
Advertising**	105,000,000	91,500,000

(* Estimated by company for fiscal year ended July 1, 1980)
(AA estimate for combined companies during calendar years 1978 and 1979)**

Consolidated Foods Corp., Chicago, the nation's 45th largest national advertiser in 1979, spent an estimated $105,000,000 on advertising last year, with $67,000,000 of the company's budget going to measured media, up from $56,700,000 in 1978.

According to company figures for its fiscal year ending June 30, 1979, $69,700,000 of the company's $108,600,000 million ad budget was spent in measured media, with the remaining $38,800,000 going into such nonmeasured media as coupons, premiums, packaging and point of purchase. All three figures are up from the previous fiscal year.

Virtually every media category benefited from the increased Consolidated expenditures during 1979. Network television grew to $35,700,000 from $31,700,000; spot television rose to $18,600,000 from $15,800,000; magazine spending increased to $8,400,000 from $6,800,000; newspapers went to $3,100,000 from $1,800,000; and network and spot radio totaled $1,300,000, up from $549,000.

According to Leading National Advertisers, Consolidated's two most heavily advertised brands during 1979 were its L'eggs and Hanes hosiery items. L'eggs received $16,500,000 in advertising support (up from $9,800,000 in 1978), and Hanes spent a total of $10,300,000 to advertise its branded products. The bulk of both efforts was in network television.

- Other Consolidated lines that advertised heavily in measured media include L'erin cosmetics, which increased to $4,300,000 from $1,400,000 in 1978 and included $1,900,000 spent on L'erin lip color, all spot tv; Sara Lee frozen desserts, down to $3,500,000 from $5,300,000 and including

Top 25 spot tv advertisers

Rank	Advertiser	Expenditures 1979	Expenditures 1978
1	Procter & Gamble	$173,761,600	$159,304,900
2	General Foods Corp.	93,457,000	77,207,700
3	McDonald's Corp.	75,334,200	66,319,600
4	General Mills	71,324,400	51,049,900
5	PepsiCo	57,152,200	46,588,300
6	Coca-Cola Co.	46,700,100	44,434,500
7	American Home Products	42,465,800	38,722,200
8	American Telephone & Telegraph Co.	42,084,000	33,148,700
9	Unilever	40,282,600	39,137,400
10	Pillsbury Co.	39,595,900	24,913,400
11	Time	38,240,900	23,190,700
12	Mobil Corp.	36,931,600	33,294,300
13	International Telephone & Telegraph	31,359,600	28,734,500
14	Ford Motor Co.	30,922,100	31,287,900
15	A. H. Robins Co.	29,321,100	24,937,800
16	Nestle Enterprises	29,037,200	30,116,800
17	General Motors Corp.	28,310,600	25,073,100
18	Kraft	28,087,900	33,350,600
19	Colgate-Palmolive	27,751,500	34,630,600
20	Wm. Wrigley Jr. Co.	26,070,200	32,426,600
21	Trans World Corp.	25,660,300	7,720,900
22	Toyota Motor Co. Ltd.	25,539,200	20,195,900
23	Milton Bradley Co.	25,052,000	16,226,200
24	Mars	24,666,700	18,102,900
25	Bristol-Myers Co.	23,650,400	17,073,600

Source: Net time figures from Broadcast Advertisers Reports, and supplied to Leading National advertisers.

Top 25 network tv advertisers

Rank	Advertisers	Expenditures 1979	Expenditures 1978
1	Procter & Gamble	$289,609,800	$261,715,300
2	General Foods Corp.	203,237,800	169,427,900
3	American Home Products Corp.	122,565,500	111,136,200
4	General Motors Corp.	117,590,700	107,826,500
5	Bristol-Myers Co.	116,987,000	110,341,400
6	Ford Motor Co.	97,016,000	79,510,600
7	Philip Morris	86,590,900	67,054,600
8	General Mills	85,648,200	84,283,200
9	Johnson & Johnson	83,736,100	64,979,100
10	PepsiCo	72,322,700	45,263,800
11	Unilever	71,709,100	60,507,900
12	Chrysler Corp.	69,589,800	60,988,000
13	Ralston Purina Co.	69,062,900	57,073,900
14	Sears, Roebuck & Co.	65,976,300	71,367,500
15	Sterling Drug	63,776,300	55,507,500
16	Warner-Lambert	63,692,900	55,772,000
17	Anheuser-Busch	63,044,100	46,840,800
18	McDonald's Corp.	62,456,300	48,547,300
19	Coca-Cola Co.	58,482,300	40,103,900
20	Kellogg Co.	55,543,100	43,221,600
21	American Telephone & Telegraph Co.	54,903,500	41,203,400
22	Pillsbury Co.	53,396,400	47,124,200
23	Colgate-Palmolive Co.	52,928,200	49,678,200
24	Gillette Co.	52,746,600	42,634,300
25	Nabisco	49,963,900	56,506,100

Source: Net time and program costs from Broadcast Advertisers Reports, and supplied to Leading National Advertisers.

$1,200,000 spent on frozen cakes and $1,000,000 on frozen pastry, almost all on network and spot television; Underalls pantyhose, up to $3,800,000 from $2,600,000, mainly network tv; Undie-L'eggs pantyhose down to $3,500,000 from $4,900,000, mainly network television; Tyco trains and racing cars up to $3,000,000 from $2,500,000, mainly network tv; Shasta soft drinks down to $2,600,000 from $5,000,000, mainly spot television; Slenderalls to $2,100,000 from $2,000,000, mainly network television; Aris gloves to $1,900,000 from $1,400,000, mainly network tv, and Booth's frozen fish up to $1,700,000 from $252,000, mainly spot tv.

The last five years have been a period of major transition for Consolidated. During this time the corporation has reorganized from a larger number of smaller companies in many different industries into a select number of companies in a few industries.

Since 1976 the company has divested itself of approximately 50 companies with annual sales totaling approximately $600,000,000. Those transactions involved operations in 15 different industries—including fashion apparel, furniture, household products and motels—and did not involve any prominent advertiser.

▪ In addition to the divestitures, Consolidated has also made acquisitions of several companies totaling more than $1.5 billion in annual sales. This included the purchase of Hanes Corp. for $250,000,000 effective at the start of 1979.

As a result of the substantial restructuring it has undertaken, Consolidated is now positioned as a consumer package goods company with three major business portions: Consumer package goods, food services and consumer direct sales.

The consumer package goods group is the largest of Consolidated's three divisions and contains all of its most actively advertised products, including beverages, hosiery, specialty meats and frozen foods.

The group's most ambitious current project is its L'erin cosmetics marketing effort that is attempting to capitalize on the trend of women to purchase more nongrocery items at grocery stores.

Consolidated sees the cosmetics situation as similar to the conditions that existed in the hosiery market when the L'eggs products were introduced in 1970. At that time, only 18% of hosiery sales were accounted for by food stores. Today, food stores account for 30% of hosiery sales, with L'eggs commanding a 44% share.

Food stores account for only 14% of current cosmetics sales, and L'erin is hoping to parlay the same formula of unique packaging and display, heavy consumer advertising, distribution through mass merchandisers and direct store delivery into a similar success story. The Hanes delivery system is an especially important part of this strategy, with the company providing retailers with its own racks and displays and with all the inventory on consignment.

▪ Though Consolidated is optimistic about L'erin's prospects, industry analysts point to an important difference between cosmetics and hosiery that is expected to make it more difficult for L'erin to repeat L'eggs success: The reluctance of women to buy makeup without trying it first. Since L'erin products are prepackaged, this can present a significant barrier to first-time purchasers.

Indications are that Consolidated has found the L'erin introduction more difficult than it expected, although the company reports that repeat sales of the cosmetics have been strong.

L'erin had attained 50% U.S. distribution by February, 1980, with national roll-out to be completed by mid-1981. Television, full-page magazine ads and in-store promotions using a "Be Beautiful Now" theme supported the products during the spring of 1980 in the markets in which L'erin items were available.

Continuing difficulties with its Shasta soft drinks dragged down the performance of Consolidated's beverage operations during 1979. Shasta reformulated its regular and diet lines by changing from refined sugar to fructose sweeteners. The company is emphasizing its diet products more extensively, and is attempting to position Shasta as an alternative soft drink. Measured media advertising was cut sharply in 1979, and Shasta began heavy couponing in January, 1980.

Despite the change in positioning, management shake-ups, and ad agency changes, industry observers are not optimistic about the chances for a quick Shasta turnaround, with most experts predicting a bleak outlook for all smaller U.S. soft drink operations during the 1980s.

There is optimism, however, about the Capri Sun line of natural fruit drinks that is currently being test marketed. The drinks come in apple, orange and lemon and are packaged in spill-proof, disposable pouches. Indications are that the tests have been successful, and Consolidated is also buoyed by the fact that Capri Sun's counterpart is the largest-selling, noncarbonated soft drink in Germany.

▪ Consolidated's frozen foods operations introduced a number of products during 1979, the most successful of which were its Sara Lee individual Danish products. These items are aimed to cash in on the fact that 52% of all U.S. households are made up of one or two members. Introduced in March, 1979, the products currently trail only the all-butter pound cake as the best-selling items under the Sara Lee label.

Couponing is a large part of Sara Lee's promotional budget. The company's ads will soon begin to stress the quality of Sara Lee ingredients with a "Nothing's made like it, nothing tastes like it" theme. The campaign will also try to generate greater brand awareness for Sara Lee.

The Booth frozen fish operations used umbrella advertising with the theme "Booth zips up the flavor of fish" to promote its new battered fish products last year: Beer Batter, Buttermilk Batter and Crunchy Corn. The company is hoping to use television commercials and print ads with coupons to take advantage of the growing U.S. per capita consumption of fish. Heaviest media spending occurs during the fall and Lent.

The Michigan-based Chef Pierre frozen dessert operation has introduced individual pie slices and is expanding its production capacity by adding a new facility in Mississippi.

Low pork prices during 1979 helped the processed pork products of Consolidated's specialty meat producers, and each of the meat companies worked to expand its geographic area of distribution as well as to add new products.

Bryan Foods, for example, introduced Smoky Hollow Smoked Sausages, Beefy Jumbo Franks and Peg lunchmeats last year. Bryan Foods also initiated two advertising programs last year, including print advertising in Sunday supplements and television commercials in the South, its main marketing area. Consolidated also acquired Gallo Salame, a West Coast specialty meats company last year.

Among the new products introduced by Consolidated's clothing operations were a new line of Bali active bras for athletically active women; Sirena velour separates designed for casual wear, and a new line of "cotton-where-it-counts" men's knit shirts brought out by Consolidated's Robert Bruce unit.

Hanes has introduced its Knee Hi Multipack and Sheer Energy Undie-L'eggs; will introduce Winteralls, a combination panty hose and panties, nationally in September for the coming winter season; and is currently testing Hanes Too, a full line of midpriced panty hose, in 4% of the U.S.

Tyco trains and racing cars introduced four new products last Christmas. Its ad budget, including a heavy concentration during the Christmas season for its Silver Streak trains, enjoyed a sizable increase as a result of the introductions.

In the food service group, Consolidated's Ohio-based Lawsons convenience food store chain has made a variety of marketing and advertising changes. The 757-store chain—70 were added this year—has undertaken extensive remodeling in order to give its outlets a uniform look. The new stores also have been designed to have double the capacity for medium-temperature cooling for beverages than had been available in the older stores. The chain has begun a "Good things in store for you" ad theme and has added a variety of traffic-building items such as hot coffee, breakfast rolls, sandwiches and snack foods.

In the consumer direct sales group, Consolidated's Electrolux operation has added a new series of commercials on network television that stress the long life-span of the products. Electrolux was designated the "Official Vacuum Cleaner of the 1980 Winter Olympics."

ADVERTISING EXPENDITURES*

	1979	1978
Newspapers	$ 3,112,500	$ 1,783,700
Magazines	8,351,100	6,778,100
Spot tv	18,570,700	15,791,900
Network tv	35,686,600	31,665,900
Spot radio	404,700	549,400
Network radio	911,800	—
Outdoor	104,000	133,200
Total Measured ...	67,141,400	56,702,200
Unmeasured	37,858,600	34,797,800
Estimated total ...	105,000,000	91,500,000

***Estimated based on AA's usual sources.**

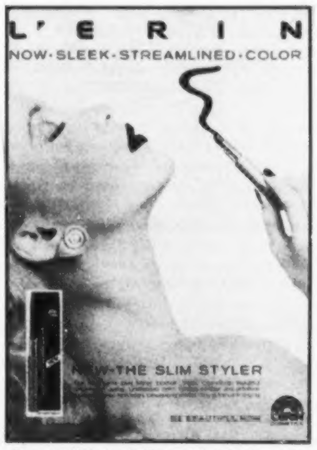
ADVERTISING EXPENDITURES**

	1979†	1978#
Newspapers	$ 7,082,800	$ 6,588,278
Magazines	8,071,500	7,196,810
Spot tv	19,913,600	12,036,080
Network tv	31,373,500	32,710,218
Spot radio	2,141,600	2,037,092
Network radio	400,000	856,069
Outdoor	766,700	200,000
Total Measured ...	69,749,700	61,624,547
Unmeasured	38,846,100	38,479,978
Total	108,595,800	100,104,525

****Figures supplied by Consolidated Foods**
†For fiscal year ended June 30, 1979
#For fiscal year ended July 1, 1978

MARKETING PERSONNEL

Donald E. Brunson, vp-mktg, Bryan Foods
James Schloss, vp-foodservice, Kahn's
Arthur Pabst, vp-mktg, Hillshire, Kahn's
Greg Mour, mktg mgr, Rudy's, Kahn's
Ron Devight, vp-sales and mktg, Gallo, Kahn's
Bruce Gescheider, director-mktg, Kahn's
David McSwain, vp-general mgr, retail, Kitchens of Sara Lee
Robert Iverson, director-mktg, foodservice, Kitchens of Sara Lee
Grady Deal, director-mktg, retail, Kitchens of Sara Lee
J. Richard Dirks, senior vp-mktg & sales, Booth Fisheries
James H. Stokes, vp-sales, Idaho frozen foods
J. Thomas, vp, sales, Chef Pierre
M.D. Simpson, director-mktg, Chef Pierre
Clark M. Brink, vp-mktg & sales, Popsicle
J.N. Groebe, exec vp-mktg & sales, Shasta Beverages
A. Weidener, vp-field mktg & sales, Shasta Beverages
Arnold Seckler, president, Sirena
David L. Bryant, vp-mktg, Hanes Knitwear
John Wigodsky, director-mktg, Hanes Knitwear
Walt Pilcher, vp-mktg, L'eggs Products
W.F. Karnbach, vp-mktg, Hanes hoisery
R.E. Simms, group product director, Hanes hosiery
M.E. Jordan, group product director, Hanes hosiery
C.E. Bryant, group product director, Hanes hosiery
Steve Marcus, vp-mktg, Bali
John F. Ward, president, L'erin Cosmetics
Robert Sheperd, president, Union Sugar
Richard E. Grey, president, Tyco Industries
Robert J. Ferrara, vp-mktg, Tyco Industries
Jeff Ruoff, vp-mktg, Lawson's
Robert H. Frazer, vp-mktg, Lyon's Restaurants
Richard E. Benner Jr, exec vp-Fuller Brush
Richard Printz, director-mktg, Oxford Chemicals
Hans Fischer, exec vp-Aris
Alan Smith, president, Robert Bruce
Norton Binder, vp-adv, sales & promo, Robert Bruce
Melvin Bluestein, vp-merch, Robert Bruce
T.V. Wolf, mgr, mktg planning & analysis, Electrolux



Consolidated Foods' L'erin cosmetics introduced the slim styler lipstick line.

ADVERTISING AGENCIES

Ted Bates & Co., New York—Electrolux.
Benton & Bowles, New York and Chicago—Kitchens of Sara Lee, L'erin.
Bozell & Jacobs/Pacific—Lyon's Restaurants.
Buntin Advertising, Nashville, Tenn.—Rudy's.
Cargill, Wilson & Acree, Atlanta—Bryan Foods.
Case & McGrath, New York—Hanes hosiery.
Burrell Advertising, Chicago—Hanes Corp., L'eggs.
Frank Cooper Advertising, Waterloo, Ia.—Hillshire.
Creamer Inc., Pittsburgh—Chef Pierre.
Dancer Fitzgerald Sample, New York—Hanes Hosiery, Bali, Popsicle, L'eggs.
Chiat/Day/Hoefer, San Francisco—Union Sugar.
Design & Market Research, Santa Clara, Cal.—Idaho Frozen Foods.
Ferber, Janklow & Associates, New York—Robert Bruce.
Godding Advertising, Kenmore, N.Y.—Kahn's.
Grey-North Advertising, Chicago—Booth Fisheries.
Ketchum, MacLeod & Grove, New York—Hanes Hosiery.
Kurtz & Tarlow, New York—Tyco Industries.
Launey, Hachmann & Harris, New York—Hanes Hosiery.
Leber Katz Partners, New York—Hanes Knitwear
Mandabach & Simms, Chicago—Kitchens of Sara Lee.
Maris, West & Baker, Jackson, Miss.—Bryan Foods.
Lynn Medberry & Associates, Los Angeles—Sirena.
Meyers, Muldoon, Ketchum, San Francisco—Gallo.
Murray & Chaney, Hudson, O—Lawson's
Oxford Advertising, Atlanta—(house agency)—Oxford Chemicals.
Sive & Associates, Cincinnati,—Kahn's.
Total Marketing, New York—Aris.
Tracy-Locke, San Francisco—Shasta.
Tracy-Locke, Dallas—Capri Sun.
Vanguard Advertising, Minneapolis—Hanes Hosiery.
Venet Advertising, New York—Hillshire.

Delta Air Lines

	1979	1978
Sales†	$2,654,026,000	$2,225,447,000
Earnings† ...	103,602,000	137,375,000
Advertising	33,500,000	28,900,000

† Restated to reflect a year ended Dec. 31

Delta Air Lines, Atlanta, the 97th largest national advertiser, increased its advertising 15.9% to $33,500,000 in 1979.

Delta boarded over 40,000,000 passengers, a record for the carrier, as operating revenues increased 19% to $2.65 billion and earnings declined 25% to $103,602,000. It was the 32nd consecutive profitable year for Delta. For the first quarter of the current year earnings were $21,816,000.

For Delta's fiscal year ended June 30, 1979, net income was up 4% to $136,744,000 on operating revenues of $2.43 billion, up 18% over the previous fiscal year.

One of the most profitable U.S. airlines, Delta is also the sixth largest domestic trunk airline in terms of revenue-passenger miles (the total number of passengers multiplied by total number of miles it has flown). In revenue-passenger miles Delta hit 26.113 billion in 1979, up from 23.332 billion in 1978.

In terms of passengers carried, Delta with 40,274,000 ranked second only to Eastern's 42,724,000. Delta's passenger ticket revenues were in excess of $2 billion.

Delta's marketing and advertising program is shaped largely by its route structure. The company has developed a system of short-haul routes feeding into its system of lucrative, long-haul routes to permit the carrying of passengers all the way to their destinations.

▪ A major portion of total Delta business comes from small and medium-size cities east of the Mississippi and the airline has the shortest average flight in miles of any major U.S. carrier.

Delta, which has served London with nonstop service from Atlanta since 1978, added an Atlanta-Frankfurt, West Germany nonstop route in 1979. The flights to both cities have proven to be popular, with load factors in the 70% range.

Under the liberal terms of airline deregulation Delta has received literally dozens of new route awards, but has preferred an orderly, planned and deliberate expansion program that allows continued growth without overextending the airline or putting it in a position that might require radical retrenchment.

Among the new cities added to Delta's route structure are Austin and San Antonio, Tex., Daytona Beach, Fort Myers and Sarasota-Brandenton, Fla., Salt Lake City, Seattle and Portland. Offering an introductory roundtrip economy fare of $199, Delta opened an Atlanta/Bermuda route July 19.

Partly because of its route structure, Delta tends to favor no-nonsense advertising instead of elaborate image campaigns. The airline's continuing major theme, "Delta is ready when you are," was created several years ago.

During 1978 and 1979, the airline industry went heavily into discount fares and special, low inaugural fares for new routes, a practice that continued, despite fuel-induced price escalations, into 1980. Delta went along reluctantly, declaring in advertising that began in 1979 that it "will not be undersold."

▪ Delta, the world's largest operator of low-cost night coach flights, also offers major discount fares. The airline is one of a limited number of carriers offering a system excursion fare that permits travel throughout the Delta domestic system. In 1979, the airline led the industry in the move to simplify discount fares. It introduced the now industry wide "Super Savers" to replace 47 old discount fares.

While discounting has continued, fuel prices have been a major problem. By the end of 1979, the average price per gallon was approaching 80¢, up from a 1973 average of 12.03¢. The price would seem low to a motorist, but every 1¢-per-gallon increase adds approximately $12,000,000 to Delta's annual fuel bill.

The airline spent $16,900,000 in newspapers and $5,416,000 in spot radio in 1979, according to Delta. Another $3,645,000 went to spot tv, $2,693,000 to outdoor and $2,626,000 to magazines, according to Delta. The portion allotted to unmeasured media was $2,220,000, bringing the 1979 total to $33,500,000, Delta reported.

According to measured media sources, Delta spent $18,117,000 in newspapers in 1979 and $5,939,100 in spot radio. The total was spent for passenger advertising, except for $18,700 in magazines to advertise its air freight service.

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MARKETING PROFILES

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$18,117,000	$16,156,100
Magazines	1,389,800	1,470,800
Spot tv	3,206,700	1,996,000
Network tv	89,200	36,000
Spot radio	5,939,100	5,614,000
Outdoor	1,300,000	1,276,400
Total measured	30,041,800	26,549,300
Unmeasured	3,458,200	2,350,700
Estimated total	33,500,000	28,900,000

MARKETING PERSONNEL

J.A. Cooper, senior vp-mktg
A. McKinnon, vp-mktg admin
W.W. Hawkins, asst vp-mktg
L.E. Sport, system mgr, adv

ADVERTISING AGENCY

Burke Dowling Adams, subsidiary of BBDO International, Atlanta—Glenn Verrill, president and mgmt super; Jack Walz, vp, acct super.

DuPont

	1979	1978
Sales	$12,572,000,000	$10,584,000,000
Earnings	$939,000,000	$787,000,000
Advertising*	$89,380,700	$70,000,000

*** U.S. only, estimated by AA**

E.I. DuPont de Nemours & Co., Wilmington, Del., the 52nd largest national advertiser, boosted its advertising budget 27.7% to an estimated $89,380,700 in 1979. Earnings, based on sales of $12,572,000,000, rose 18.9% to $939,000,000, a primary result of strong performance in overseas business.

The largest chemical company in the U.S., DuPont reported worldwide advertising expenditures of $109,000,000 in 1979, up 17% from the 1978 worldwide total of $93,000,000.

DuPont's fiber sales totaled $4,100,000,000, about 20% more than in '78 and about 32% of corporate sales. International fiber sales rose 41%, while domestic sales were up 13%; but DuPont reported that profitability dropped because selling prices lagged behind increasing petrochemical feedstock costs. Worldwide overcapacity also depressed profitability of Dacron and Orlon fibers, the company said.

Chemicals, plastics and specialty products (CPS) had total sales of $8,427,000,000 in 1979, 18% higher than in '78. Thirteen per cent of that increase represented domestic sales.

CPS sales in 1979 accounted for 67% of corporate sales, comparable to the 1978 figure.

Sales of the specialty products, which include electronic products, finishes, explosives, agricultural chemicals, medical and printing increased 15% in 1979 to $3,400,000,000. Net income, however, was up only slightly—from $278,000,000 to $281,000,000—primarily because of rapidly rising precious metals costs in the photosystems business, along with decreased demand for automotive finishes.

For the first half of 1980, DuPont sales were $6.980 billion, up 11% from '79, and earnings were $421,000,000, down 12% from $481,000,000 a year earlier. DuPont noted that declines in housing and automotive categories, due to the recession, spread to other markets in the second quarter "affecting most of our product lines."

Silverstone, a kind of nonstick cookware surface first introduced by DuPont with print ads in 1976, now outsells the company's Teflon three to one. Showing 70% household awareness, Silverstone, in '79 and continuing into the '80s, is breaking records each month in dollar sales and market penetration, according to the company.

DuPont's fabrics and finishes budget has accelerated far ahead of inflation since 1976, and the specialty products business as a whole accounted for 30% of total company net income in 1979. DuPont president Edward G. Jefferson said he will seek to expand the rapidly growing division in the '80s.

Chemical sales, meanwhile, totaled $2,133,000,000 in 1979, up 18% over 1978. Net income was $135,000,000, up 9%. That figure included a $35,000,000 charge resulting from a mid-year decision to discontinue the production and sale of dyes, an unprofitable business for several years. Plastics, also included in the CPS segment, accounted for a net income of $237,000,000 based on sales of $2,834,000,000, a 22% increase over 1978.

Capital expenditures in 1979 totaled $929,000,000, an 18% increase over the previous year. DuPont reported that the capital needs were met entirely with internally generated funds and that outstanding debt increased only slightly during the year.

DuPont's largest ongoing capital projects are expanded facilities for Kevlar aramid fiber, a new adiponitrile production plant; a new finishes facility; modernization of the neoprene process, and expanded manufacturing capacity for Mylar film.

▪ Of DuPont's $37,771,700 in total measured media spending, $5,900,000 went to Silverstone coating, which continued to show rapid growth in sales and earnings. Expenditures were spread among magazines, $3,691,900; network tv, $2,058,200, and spot tv and newspaper supplements, according to Leading National Advertisers.

Having traded advertising priority with Silverstone, Teflon received $3,276,800 in measured media support, with $3,158,000 going to magazines. Spending for Flair Squares home wall tiles totaled $2,865,200 while Lucite home paint received $2,418,600.

Measured media spending as a whole generally was split between magazines and network tv.

In September, 1979, an administrative law judge dismissed charges by the Federal Trade Commission that DuPont had attempted to monopolize the titanium-dioxide pigment market in the U.S. with unfair methods of competition. The judge ruled that DuPont's growth in the market was a result of "intelligent planning" and the use of a chloride development process chosen in the early '60s. The FTC has appealed the decision to the full commission and, although confident of a positive outcome for DuPont, spokesmen have not guessed as to when a decision will come.

Looking to the future, DuPont continues its research program to decrease dependence on oil and natural gas derivatives as sources of process heat. By the mid-1980s, DuPont expects coal, oil shale and tar sands to be more economical energy sources.

The company is now on a systematic conversion schedule to fuel boilers with coal rather than natural gas, and the new methanol plant in Deer Park, Tex., uses vacuum-resid as a feedstock.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$ 315,900	$ 413,300
Magazines	16,615,000	13,401,400
Farm publications	2,078,000	1,723,800
Spot tv	2,736,000	2,404,300
Network tv	15,762,500	4,861,500
Spot radio	254,400	178,900
Outdoor	9,600	300
Total measured	37,771,400	22,983,500
Unmeasured	51,608,300	47,016,500
Estimated total	89,380,700	70,000,000

MARKETING PERSONNEL

H. Lloyd Taylor, director
A.W. Ballentine, div mgr
A.C. Hoeftman, chemical, dyes & pigments dept
J.C. Maneval, petrochemicals dept
J.C. Dilts, employe relations and transportation/distribution dept
S.P. Blish, div mgr
J.P. Swan, biochemicals dept—pharmaceuticals
M. Collette, biochemicals dept, pharmaceuticals
R.T. Eldridge, photo prods dept—x-ray, printing, industrial & electronics prods
T.E. Minnich, photo prods department—instrument prods
C.H. Weber, photo prods dept—Berg Electronics prods
J.B. Brett, Jr., textile fibers dept—carpet fibers
J.H. McDivit, textile fibers dept—industrial film & spunbonded prods
C.E. Crowley, div mgr
J.S. Swajeski, fabrics & finishes dept—home & automotive prods
H.B. Horning, fabrics & finishes dept—consumer paint & refinish
J.E. Sly, fabrics & finishes dept—maintenance & packaging finishes, industrial specialties, and applied technology
R.J. Alfano, corp adv
N.A. Bryant, automotive communications
E.J. Garrity, Remington Arms Co.
H.E. Davis, div mgr
R.E. Williams, polymer prods dept—elastomer chemicals
W.C. Halley, polymer prods dept—commercial resins & fluoropolymers
J.K. Goundie, polymer prods dept—ethylene polymers, plastic prods
R.A. Hotchkiss, polymer prods dept—industrial & packaging films
J.B. Boyer, polymer prods dept—plastic prods
C.P. Sheran, personnel mgr
J.O. Corner, div mgr, mktg rsch
J.R. Murphy, publications section
A.B. Baker, div mgr, media & mktg communications services
D.T. Smith, accounting
T.J. Niemkiewicz, production/graphics
P.J. Trainor, purchasing
W.D. Davis, audio-visual
F.G. Oswald, textile fibers dept—ad mgr
E.R. Albright, textile fibers dept—men's wear
H.A. Carnevale, textile fibers dept—knitwear
F.W. Ockenfels, textile fibers dept—Qiana
J.F. Booker, textile fibers dept—fiberfill
I.J. Kappes, textile fibers dept—hosiery
E.K. Bispham III, textile fibers dept—home & automotive fabrics
C.R. Gee, textile fibers dept—intimate apparel & swimwear
D.B. Roach, textile fibers dept—women's wear
F.W. Kelly, textile fibers dept—craft yarns

ADVERTISING AGENCIES

N W Ayer ABH International, New York—fabrics and finishes (except automotive products), plastic products and resins, elastomer chemicals, photo products (except Berg Electronics), chemicals, dyes & pigments (except carpet protector), petrochemicals, employe relations and textile fibers' industrial and spunbonded products—D. H. Means, mgmt coordinator.

BBDO, New York—automotive products, carpet protector, textile fibers' apparel, carpets, home furnishings and fiberfill products, and corporate advertising programs—J. F. Crowley, mgmt coordinator.

Rumrill-Hoyt, Rochester, N.Y.—agricultural chemicals and Remington Arms Co.—J. M. Valerio, mgmt coordinator.

Kelly Advertising, Lancaster, Pa.—Berg electronics prods—R. L. Kelly, mgmt coordinator.

Wesson & Warhaftig, New York—pharmaceutical prods—M. Amster, acct super.

Sudler & Hennessey, New York—pharmaceutical prods—L. Gamza, acct super.

Eastern Air Lines

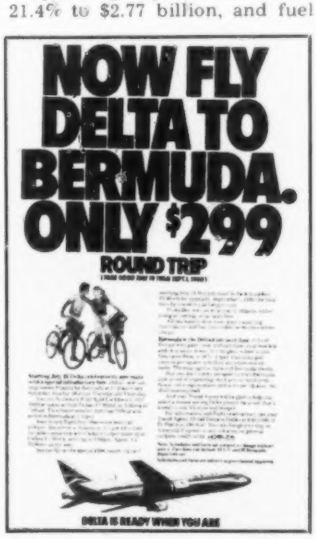
	1979	1978
Sales	$2,881,526,000	$2,379,564,000
Earnings	57,631,000	67,257,000
Advertising	40,400,000	34,800,000

Eastern Air Lines, Miami, the 88th largest national advertiser, increased its advertising 16.1% to $40,400,000 in 1979.

The airline reported the second highest earnings in its history during 1979, reaching $57,631,000, but down from a record high in 1978. Revenues increased 21.1% to $2.88 billion.

Operating expenses increased 21.4% to $2.77 billion, and fuel costs increased by 58% to $677,200,000. The airline's load factor (percentage of available seats occupied) rose from 64.5% to 67.2%, the second highest load factor among U.S. trunk carriers.

Available seat miles rose 10.1% to 43.1 billion. In terms of revenue passenger miles, Eastern was the largest in 1979 with 28.9 billion. In number of passengers carried in 1979, Eastern's total of 42,236,000 was the largest in the free world.


NOW FLY DELTA TO BERMUDA. ONLY $299
ROUND TRIP
DELTA IS READY WHEN YOU ARE

Delta Air Lines offered special fares to vacation spots, such as this one to Bermuda, for a specified time period.

▪ Eastern's advertising, which traditionally has covered three basic areas—business travel, vacation selling and its corporate effort featuring Frank Borman, the airline's chairman, president and chief exec, as spokesman—has shifted to reflect the industry's current marketing environment which emphasizes new route entrance and aggressive discounting.

Eastern continued expanding service from its Atlanta and Miami hubs with the following new routes: Atlanta-Salt Lake City, Atlanta-Denver, Miami-Guatemala City, Atlanta-Norfolk, Atlanta-Phoenix, Atlanta-Seattle, Atlanta-Albuquerque, Atlanta-Tucson, Atlanta-Reno and Atlanta-Rochester, N.Y. Two additional routes are Dallas-Tucson and Phoenix-Tucson.

Route expansion has continued in 1980 with Eastern joining the highly competitive transcontinental battles with new service effective June 1 between New York-Los Angeles, New York-San Francisco and, on June 15, Miami-Los Angeles. On June 1, Miami-Barbados service also was added. On July 2 service also began on more new routes: Atlanta-Las Vegas, Atlanta-El Paso, Houston-El Paso, Salt Lake City-Seattle and Las Vegas-Reno.

The new route introductions have been accompanied by heavy start-up advertising in all media. In the case of the New York-California service, marketed under the banner, "Eastern's Trans-Con," the airline introduced very aggressive pricing with reduced first class and coach fares and an even lower advance purchase round trip discount fare of $149 each way.

▪ Eastern has recently taken a number of other aggressive fare actions designed to stimulate discretionary travel and also to get travelers out of their automobiles and into the air.

Effective through Sept. 15, Eastern is offering to fly children free to and from Florida on Tuesdays, Wednesdays and Thursdays (one per adult) in conjunction with regular Super Saver discounts that can save adults 35% to 45% off regular coach fares.

For summer travel, Eastern also has introduced a special Senior Citizens fare allowing people 60 years of age or older to fly for 50% off the regular daycoach fare to 16 Florida cities.

The airline continues to offer its innovative Unlimited Mileage fare, initiated in 1977. Under the fare plan, for $462 to $496 each, two adults traveling together can take an almost unlimited 21-day tour of the airline's domestic and international destinations, excluding Canada. A special Unlimited Mileage fare for one person is available at a higher charge.

ADVERTISING EXPENDITURES*

	1979	1978
Newspapers	$11,563,000	$10,976,000
Magazines	4,216,000	3,530,000
Radio	5,556,000	3,640,000
Television	8,107,000	7,644,000
Outdoor	2,858,000	2,210,000
Total measured	32,300,000	28,000,000
Unmeasured and international	8,100,000	6,800,000
Total	40,400,000	34,800,000

***As reported by Eastern Air Lines.**

ADVERTISING EXPENDITURES**

	1979	1978
Newspapers	$12,568,300	$11,277,400
Magazines	4,260,900	3,721,500
Spot tv	5,417,900	5,147,500
Network tv	1,200,500	919,100
Spot radio	3,942,400	2,901,000
Outdoor	1,823,900	1,386,500
Total measured	29,213,900	25,353,000
Unmeasured	11,186,100	9,447,000
Estimated total	40,400,000	34,800,000

****From AA's usual sources.**

MARKETING PERSONNEL

R. L. Ray Jr., senior vp-mktg
D. B. Kunstler, vp-sales & adv
W. H. Dowse, vp-adv
A. K. Istel, mgr-vacation adv
T. Ripps, mgr-consumer & adv rsch
B. F. Walsh, mgr-business adv
R. A. Wolf, mgr, adv services

ADVERTISING AGENCY

Young & Rubicam, New York—E. O'Sullivan, senior vp-mgmt super; W. Flynn, vp-acct super; L. Jones, M. Linder, R. Lussen, T. Pranses, acct execs.

Eastman Kodak Co.

	1979	1978
Sales	$8,028,231,280	$7,012,923,000
Earnings†	1,000,764,000	902,284,000
Advertising*	87,751,300	86,071,700

† Worldwide
***AA estimate**

Eastman Kodak Co., Rochester, N.Y., the nation's 53rd largest advertiser, increased its U.S. advertising budget a slight 2% in 1979, to an estimated $87,751,300. Now one century old, Kodak's youth continued to spring eternal with the introduction of a rash of new products—new cameras, films, papers, machines.

Kodak's worldwide sales of $8,028,231,280 were up 14% from the $7,012,923,000 rung up in 1978. Those worldwide sales included another record high of $6,458,261,000 (also up 14% from the year before) for the photographic division and $1,776,977,000 for the Eastman chemicals division, up 16% from '78's total of $1,531,900. (The 1979 sales of these divisions should be reduced $1,087,600, the amount that figured in inter-divisional and intersegment sales.

▪ For the first quarter of 1980, Kodak's worldwide sales climbed to $2.13 billion, up a strong 30% over 1979's first quarter reading of $1.64 billion. Worldwide net earnings were up 9% to $215,900,000, as compared with the 1979 net earnings first quarter figure of $197,500,000.

For the year of 1979, Kodak reported "While all market categories showed positive performances, strong consumer product sales overseas and impressive gains for Kodak business products in the U.S. and Canada highlighted the year's results." The year marked a milestone for Kodak—the first time in the company's 100-year history that both sales and earnings crested the $1 billion peak.

Forever on the hunt for the new and improved, Kodak spent $459,000,000 in research in 1979, an increase of 18% over its 1978 expenditure. Confronted with soaring silver prices (up 361% by the end of '79), the company persisted in its two-year search for a silver substitute.

Since breaking into the instant camera market in 1978, Kodak has garnered a 40% share of the estimated $2 billion market. Instant camera sales now account for an estimated 26% of the company's bottom line.

Kodak's measured media spending for instant cameras was $12,132,800 in 1979, as compared to $12,543,300 in 1978. The company also spent $244,200 in the six measured media on instant film and an additional $3,957,400 for Colorburst instant cameras and film.

Out of a total of $34,065,900 spent in network tv, Kodak allocated $10,482,300 for instant cameras; $11,352,200 for Ektra cameras, and $5,678,900 for film. A $14,565,200 investment in magazines included $2,449,700 for Colorburst cameras and film; $3,995,000 for Ektra cameras and $1,232,200 for film.

The past year was a bustling one

Top 25 network radio advertisers

Rank	Advertiser	Expenditures 1979	Expenditures 1978
1	General Motors Corp.	$8,517,100	$3,171,700
2	American Telephone & Telegraph Co.	7,079,400	1,633,800
3	Cotter & Co.	6,553,200	2,467,700
4	Schering-Plough Corp.	5,439,300	2,953,200
5	Sears Roebuck & Co.	5,434,300	4,388,300
6	SmithKline Corp.	5,294,100	5,153,900
7	American Home Products Corp.	5,056,800	3,155,000
8	General Foods Corp.	5,034,000	619,900
9	CBS	4,519,800	789,500
10	Warner-Lambert Co.	4,284,800	2,678,900
11	Sterling Drug	4,068,500	2,754,700
12	Squibb Corp.	3,981,700	80,300
13	Anheuser-Busch	3,438,500	2,483,800
14	Hartz Mountain Industries	3,397,600	1,947,300
15	Jeffrey Martin Inc.	3,357,100	5,000
16	MortonNorwich Products	3,224,200	1,869,000
17	Greyhound Corp.	3,117,000	1,363,900
18	U. S. Government	2,735,700	1,198,000
19	Chesebrough-Pond's	2,354,900	121,100
20	International Harvester	2,339,900	264,000
21	Phillips Petroleum	2,232,100	0
22	Chrysler Corp.	2,146,900	749,100
23	Campbell Soup	2,064,700	669,700
24	Visa U.S.A.	1,975,700	767,000
25	Eastman Kodak	1,921,600	688,800

Source: Figures are from Broadcast Advertisers Reports, and supplied to Leading National Advertisers.

for Kodak and new camera introductions. The company introduced six new cameras—three instant cameras (two motorized) and three pocket-size models.

▪ Debuting last year was the Colorburst 50, Kodak's first instant camera with fixed focus and motorized print ejection (retailing for $44.95); the Colorburst 250, replacing the Colorburst 200; the Handle 2, replacing the Handle and complete with an electronic shutter which operates from 1/3000th of a second to two seconds at a fixed aperature of F18.

Kodak extended its Ektra line with the addition of Ektra 200 with normal focal-length lens with flipflash; the Tele-Ektra 300 with normal lens and tele lenses using flipflash; the Kodak Ektralite 500 with normal lens and built-in electronic flash and the Kodak Tele-Ektralite 600 which has both normal and tele lenses and built-in electronic flash.

With the new cameras, comes Kodak's new film—PR 10, a film in which images begin to form in 30 seconds and the picture is complete in 90 seconds.

To promote its line of pocket cameras, Kodak stuck with the star of "The Little House on the Prairie," Michael Landon. Mr. Landon and his "family man image" tapped the talents of his own family (wife, Lynn; son, Chris, and daughter, Shawna) to help sell Kodak's Ektra and Ektralite cameras. Mr. Landon also promoted Kodak's color paper in 30-second spots last summer.

The company continued its ad campaign theme "With Kodak film, you've got what it takes," in spots starring people taking delight in reliving moments captured in film.

Kodak broke a major new campaign this year during the Winter Olympics, held in Lake Placid, N.Y. Kodak became "America's Storyteller" in spots that are a montage of people with their snapshots—and some snappy remarks. Created by J. Walter Thompson Co., New York, the campaign is working as an umbrella for all the company's promotional efforts. The intent of the "storyteller" approach is to encourage people to snap shots that tell a personal story every day of the year, rather than have picture-taking as a special occasion pastime.

Supporting the campaign, and in an effort to further boost sales, Kodak tapped the rebate in 1979 in several programs. The company gave a $5 rebate on the purchase of a Colorburst camera with an additional $5 on the purchase of five packs of Kodak instant film. (Network tv supported that drive.)

In another line of Kodak's business, Kodak introduced a new Ektagraphic audioviewer projector, with sound recording and playback capabilities, and at a midwinter radiological conference, a new X-Omat M20 processor, models 1 and 2. In papers, Kodak came out with Etracolor—in a year when paper sales reached record levels.

With the economy worsening and the industry softening, Kodak was forced to lay off 500 workers last year—compared with the 2,500 laid off by competitor Polaroid Corp.

In light of the skyrocketing cost of silver, Kodak increased the cost of its film—color packs went up 25%, black & white were up 35% and phototypesetting papers were up 75%.

Kodak became part of Walt Disney Productions' latest venture—the $800,000,000 EPCOT center—or the Experimental Prototype Concept of Tomorrow. In Kodak's honor, the progenitors of Mickey and Minnie Mouse have come up with two new (Kodak) characters—"Dreamkeepers" and "Figments."

In 1979, the U.S. Supreme Court tossed out an appeal from Berkey Photo over a ruling that threw out almost all of the company's $87,100,000 victory over Kodak. With this action, the next judicial step is for a new trial to be held in federal district court on several Berkey claims.

Still pending is a 1976 suit in which Polaroid charged Kodak with infringing its patents for instant cameras and film.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	**$2,090,300**	**$2,751,300**
Magazines	**14,565,200**	**15,168,200**
Spot tv	**3,413,200**	**4,237,300**
Network tv	**34,065,900**	**31,211,200**
Spot radio	**145,600**	**1,317,300**
Network radio	**1,921,600**	**688,800**
Outdoor	**775,700**	**497,600**
Total measured	**56,977,500**	**55,871,700**
Unmeasured	**30,773,800**	**30,200,000**
Estimated total	**87,751,300**	**86,071,700**

EASTMAN KODAK CO.

Rochester, N.Y.

MARKETING PERSONNEL

J. P. Samper, vp-gen mgr, mktg div

J. H. Barnes, vp-gen mgr, customer equipment services

John C. Fink, vp-gen mgr, health sciences mkts div

Kenneth M. Mason, vp-gen mgr, motion picture-audio-visual mkts div

John R. Robertson, vp-gen mgr, consumer/-professional and finishing mkts

William A. Sawyer Jr., vp-gen mgr, professional & finishing mkts

William E. Sherman, vp-gen mgr, graphics mkts div

J. Raymond Sutcliffe, vp-gen mgr, business systems mkts div

William K. Pedersen, asst vp-director-adv and promo

John M. Sewell, vp-gen mgr, Kodak Apparatus div

Richard C. Kleinhans, vp-asst gen mgr, Kodak Apparatus div

George A. Snyder, vp-gen mgr, distribution div

Kenneth Winter, president, gen mgr, Kodak Canada Inc.

ADVERTISING AGENCIES

Rumrill-Hoyt, Rochester—genl picture-taking, print trade, audio-visual, some business, scientific and industrial—Joseph M. Valerio, senior vp-mgmt super; David Fisher, senior vp-group mgr.

Young & Rubicam, New York—instant photo products—Roby Harrington, exec vp-group director; Thomas Spangenberg, mgmt super.

J. Walter Thompson Co., New York—traditional photo products, some business, industrial and technical—W.C. Thompson Jr., exec vp, Kodak Worldwide; John Wells, senior vp, Kodak U.S.; Granger Tripp, senior vp, Kodak Intl.

Baker, Lovick Ltd., Toronto—M. Lamont, D. Macleod—vps-acct execs.

EASTMAN CHEMICAL PRODUCTS INC.

Kingsport, Tenn.

MARKETING PERSONNEL

D.B. Campbell Jr., president

P.J. Burns, senior vp

B.F. Roberts, vp-chairman-gen mgmt staff and advertising

G.O. Trabue Jr., vp-chemicals div and genl mgmt staff

R.W. Bourne Jr., vp-fibers div

W.P. Bussart, vp-plastics and plastics products div and genl mgmt staff

R.C. Dubberly, vp-filter prods-intl div

R.C. Forrester, vp-technical service and devel div

R.E. Hudson, mktg director, textile fibers div

J.T. Moore, mktg director, plastics div

T.G. Fudge, mktg director, industrial chemicals div

L.H. Farmen, mktg director, H&N div

G.W. Snyder, mktg director, filter prods div

J.C. Gilmore, mktg director, new prods div

W.L. Terrill, mktg director, intl div

W.L. Johnson, director, tech serv and devel div

W.T. Ambrogi Jr., director, chemicals field mktg div

L.B. Connelly, director-plastics field mktg div

ADVERTISING (all in New York)

M.J. Mettetal, director, adv

A. LaManna, asst director, adv

K.E. Palmer, mgr, fibers adv

V.V. Reisig, mgr, chemicals adv

T.W. Lyons, mgr, plastics adv

M. Hennessy, mgr, intl adv

J.F. Herne, mgr, promo

H.E. Reebel, mgr, adv services

R.E. Webb, mgr, editorial services (Kingsport)

ADVERTISING AGENCIES

Martin Landey, Arlow Advertising, New York—all products worldwide.

J. Walter Thompson Co., New York—U.S. chemicals, plastic publicity and all international products publicity.

The Rowland Co., New York—U.S. fibers publicity.

Esmark Inc.

	1979	1978
Sales	**$6,771,883,000**	**$5,863,962,000**
Earnings	**92,423,000**	**80,100,000**
Advertising	**170,547,000**	**141,431,000**

*** Fiscal year ending October, 1979**

Esmark Inc., Chicago, the 17th largest advertiser, increased its advertising and promotion spending by about 20.6% to $170,500,000 in 1979. Total sales for the holding company rose 15.5% to nearly $6.8 billion for the fiscal year ending Oct. 27, 1979, while net earnings were up 15.4% to $92,400,000.

Swift & Co., the meat-packing giant from which Esmark was formed in 1973, disappointed top management in 1979 as the fresh meat and consumer divisions dragged down profits to $26,300,000 from $40,200,000 in the previous year, a 34.5% decline on an 11.2% sales increase to $4.5 billion.

In the 1979 annual report, Esmark president Donald Kelly said: "I believe the time has come for performance rather than promises. Progress at Swift during the 1980s will be judged by bottom line profit result improvements."

In June, Mr. Kelly carried out that threat when Esmark announced the closing of three meat-packing plants and the intention to sell the rest of the fresh meat division of Swift, a move which could amount to a writeoff as high as $300,000,000; that loss would be offset by the simultaneously announced plan to sell the highly profitable Vickers Energy Corp., which last year contributed 13.9% of Esmark's sales but 41.2% of its operating profit.

▪ The upshot of the proposed massive restructuring is likely to be a cash-rich company in search of acquisitions, probably in the consumer products area where Esmark has had so much success with International Playtex and STP.

Despite the poor showing in earnings last year, a number of Swift's consumer products made substantial market share progress.

Swift became the leader in the brand-name breakfast meats category for the first time in many years and achieved record high market share for Brown 'N Serve sausage, which had measured ad spending of almost $1,800,000. Sizzlean attained the largest national distribution of any branded bacon or breakfast meat product, as measured advertising totaled nearly $4,100,000, including $3,400,000 for network tv.

In 1979, the basic Butterball turkey brand achieved record volume, as it continued to outsell the next six brands combined. With turkey supplies higher than a year ago and margins lower for all producers, Butterball still had its second best year in terms of profits, with measured ad spending of almost $3,500,000.

Peter Pan peanut butter reversed a market share decline and made significant gains in sales volume as a result of product reformulation and aggressive marketing, including new advertising, heavier spending and heightened sales efforts. Measured ad spending totaled $4,727,000, including more than $2,800,000 on network television.

DANSKINS ARE NOT JUST FOR DANCING
Danskin

Esmark Inc. has stretched its diversification efforts even further with its February, 1980, acquisition of Danskin Inc.

▪ Homemade Soup Starter, Swift's successful new dry soup product—first distributed nationally in 1978—became a leader in the dry soup category and achieved the most widespread distribution of all Swift products in 1979 in terms of population reached as measured by stores through which the product is sold.

Swift spent nearly $6,300,000 in measured ad spending to promote Soup Starter. Still in limited markets is a spin-off product called Stew Starter.

Of continuing importance in the consumer products division is new product development, although the pace slowed last year when it became apparent that Swift's profits would be off. New products still in limited distribution include Firebrand, a bacon-like all-beef breakfast strip on which Swift spent almost $1,100,000 in measured advertising last year, and the Butterball turkey line extensions now in national rollout with national distribution planned for late 1980. The Butterball turkey products include Li'l Butterball, stuffed Butterball and Butterball breast of turkey.

Over-all advertising and promotion for all Swift brands increased by 24% in 1979 to more than $75,000,000, the company said.

Estech, Esmark's chemical and fertilizer division, had a 6.8% sales increase to $526,500,000 while operating profit slumped 10.9% to $35,000,000 compared with $39,300,000 in the previous year and $40,700,000 in 1977. Losses in the lubricating oil re-refining business partially offset gains from the dental equipment business and increased fertilizer earnings on higher prices and volume. However, excluding a one-time gain in 1978 from the sale of an interest in a potash mine, Estech increased earnings 10.4% in 1979.

Estech markets brand-name and private label fertilizers for the consumer and for professional lawn care businesses. In 1979, fertilizer revenues increased 21% to over $40,000,000. Estech's Vigoro brand, supported by almost $1,300,000 in measured ad spending, is the second largest selling fertilizer in the U.S.

▪ Vigoro's sales were up 21% last year, aided by an advertising campaign featuring four-time U.S. Open winner Jack Nicklaus. In the $200,000,000 professional lawn care market, Estech's aggressive marketing of the Par-Ex brand name line of products increased revenues 34% last year.

Estech has two other subsidiaries, Estech Specialty Chemicals Corp., which manufactures and sells industrial chemicals, adhesives, petroleum waxes and lubricants, and Doric Corp., which sells to the dental industry through the Patterson Dental Co. and Centra brand name. Doric's second division is the Engineered Products group which manufactures precision engineered parts.

Estech is continuing an effort to strengthen its corporate identity with ads placed in several trade publications in 1979 that are scheduled to run throughout 1980.

During 1979 International Playtex had fiscal 1979 sales of $520,500,000, an 11.4% increase over the previous year. Earnings were $54,500,000, just a shade under 1978 results, while the division contributed 7.7% of Esmark's revenues and 22.7% of operating profits.

Last year saw a major recovery in the international division (including the acquisition of Playtex-Wallco in Sweden). On the domestic side, the intimate apparel division experienced a slow first half due to trade inventory retrenchment, but finished strongly on the company's basic lines as well as the introduction of the fashion-oriented Givenchy Underdressings collection of bras and panties.

Playtex supported its bras and girdles with more than $9,000,000 in measured ad spending, while the Givenchy line received an additional $1,400,000 million for bras and lingerie, plus about $700,000 for pantyhose by the high-fashion designer.

The Playtex hosiery division continued strong in its growing market segment, accounting for about 8.9% of Playtex sales and profits. Measured ad spending totaled $104,500.

Heavy competition from new tampon brands introduced by

MARKETING PROFILES

Johnson & Johnson and Procter & Gamble left a sales plateau and a slight profit decline for the family products division, with market share down from 35.1% in 1978 to a projected 27.5% in 1980. Measured ad spending in this category totaled more than $4,900,000 last year.

Playtex re-entered the sanitary napkin market with Maxi and Mini Pads tested in St. Louis and Dallas.

▪ Playtex girdles received more than $1,800,000 in measured advertising plus $1,200,000 for multi-product Playtex ads.

During the latter part of 1979, Playtex added to its family products base by acquiring the Felicity glycerine soap brand, which it plans to market nationally. Felicity had sales of $1,700,000 in 1979.

In addition, Playtex expanded into shampoos and conditioners through a marketing agreement with the Jhirmack Co., Redding, Ca., enabling Playtex to sell this company's products to the otc market. In February, 1980, Playtex announced the acquisition of Danskin Inc., a formerly privately held company that is a leading manufacturer and marketer of active knitwear and other trendy skin-tight fashions such as leotards and swimsuits.

Vickers Energy Corp. had a stellar year as oil prices skyrocketed. Sales were up 49% to $937,000,000 from $627,800,000, while earnings tripled, reaching $98.9 million compared with $32,000,000 in 1978. Vickers accounted for 13.9% of Esmark's revenues and 41.2% of the parent company's operating profits last year.

▪ A total of 21 new Vickers service stations were opened in 1979 and 19 marginal units were closed. There are currently nine more service stations under construction, and Vickers plans to continue converting its stations to 100% self service.

Measured ad spending for Vickers gasoline was $120,600 for spot tv, while dealer services and general corporate promotion received a combined $98,900 in measured spending.

Esmark's proposed restructuring depends on the sale of Vickers to pay for unfunded pension costs at Swift plants in order to make them attractive to buyers and to offset other writeoffs. Analysts think Vickers, which includes valuable land held by its wholly owned TransOcean exploration subsidiary, will fetch a minimum of $600,000,000 and possibly twice that much.

Esmark's newest acquisitions are STP Corp. and International Jensen Inc. (formerly known as Pemcor). Together they make up the high fidelity and automotive products division, which had a 27.6% increase in revenues to $279,000,000, or 4.1% of the corporate total. Operating profits for the division were up slightly from $24,300,000 to $25,200,000, accounting for 10.5% of Esmark's operating earnings.

STP Corp. markets automotive care products such as oil and gas treatments, motor oil, and oil and gas filters. In 1978 it introduced Son of a Gun!, a protective spray for vinyls, rubber and leather, which received about $2,000,000 in measured ad spending last year. The company also introduced STP Foaming Engine Degreaser last year, which is a water-based product that contains no kerosene.

STP Gasoline treatment received $4,400,000 in measured media and unit sales were up 34%. STP Oil Treatment was backed by $2,200,000 in measured ad spending. STP Oil Treatment is the leading oil additive in the world. Tests showing that it saves oil keyed a new ad campaign. International Jensen makes and distributes automotive audio equipment and home high-fidelity sound equipment, including the well known Jensen car speakers and receivers which received $2,400,000 in measured media last year.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	**$1,793,000**	**$2,515,900**
Magazines	**3,925,500**	**3,642,600**
Spot tv	**14,437,100**	**18,722,700**
Network tv	**40,389,100**	**41,616,100**
Spot radio	**61,000**	**642,600**
Network radio	**288,700**	**172,700**
Outdoor	**38,400**	**59,300**
Total measured	**60,932,800**	**67,371,900**
Unmeasured	**109,614,200**	**74,059,000**
Total**	**170,547,000**	**141,431,000**

*** From AA's usual sources**
**** Total supplied by Esmark**

ESMARK INC.

Chicago

MARKETING PERSONNEL

Donald P. Kelly, president/ceo
Philip L. Thomas, vp-corp communications

ADVERTISING AGENCY

Dancer Fitzgerald Sample, San Francisco—Robert W. Maier, president

SWIFT & CO.

Chicago

MARKETING PERSONNEL

Joseph P. Sullivan, president/ceo
Robert N. Hiatt, group vp, processed foods group
John F. Murphy, vp-sales, processed foods group
Malcolm B. Gordon, media director, processed foods group

ADVERTISING AGENCIES

Foote, Cone & Belding, Chicago—Peter Pan, Butterball, Homemade Soup Starter—Douglas Belzer, group mgmt super

Grey Advertising, New York—Brown'N Serve, Sizzlean, Firebrand, processed meats

Kenyon & Eckhardt, New York—special mktg assignments, Swift D&P Sesco—John Balson, senior vp, genl mgr

Fremerman, Malcy, Spivak, Rosenfield, Kansas City—Strongheart Products (pet food)

ESTECH INC.

Chicago

MARKETING PERSONNEL

Edward R. Brablik, president, Estech General Chemicals Corp.
Leo J. LeClair, vp-consumer and professional prods
James M. Snodgrass, president, Estech Specialty Chemicals Corp.
Russell G. Tait, director, mktg and sales
David W. Carter, president, Doric Corp.
William J. Regan, vp-mktg

ADVERTISING AGENCIES

Cunningham & Walsh, Chicago—Vigoro.

Dancer Fitzgerald Sample, San Francisco—Estech corporate identity—John Lockridge, acct exec.

Sawyer Advertising, Gainesville, Fla.—agricultural fertilizers—George Sawyer, acct. exec.

Inter-Ag Associates, Chicago—agricultural fertilizers—Ralph Peebler, acct exec.

Howard Monk & Associates, Rockford, Ill.—Estech Specialty (epoxidized oils).

Stephens, Biondi, De Cicco, Chicago—Estech Specialty (adhesives)—Bob Comein, acct super.

Roy Zeff Agency, Skokie, Ill.—Estech Specialty (National Wax)—Ernie Nordlinger, acct super.

Colle & McVoy, Minneapolis—Doric Corp.—Thomas Engquist, acct super.

INTERNATIONAL PLAYTEX

Stamford, Conn.

MARKETING PERSONNEL

Joel E. Smilow, president/ceo
Walter W. Bregman, president, Playtex USA
Edward T. Fogarty, president, international div
George H. Fellows, vp-genl mgr, family products div
Michael A. Kaufman, vp-genl mgr, intimate apparel div
Larry Saltzman, president, Pennaco hosiery div
Warren Pelton, president, Danskin Inc.
George Montaigne, media director

ADVERTISING AGENCIES

Ted Bates & Co., New York—bras, girdles, rubber gloves—J. Rothberg, senior vp, director.

Grey Advertising, New York—bras, girdles, tampons, nurser—R. Schoenfein, exec vp.

Ogilvy & Mather, New York—bras, panties, girdles, all-in-ones—J. Blaney, senior vp-mgmt super.

James Jordan Inc.—Felicity—Jack Taylor, president.

VICKERS ENERGY CORP.

Wichita, Kan.

MARKETING PERSONNEL

Richard J. Boushka, president/ceo
George Harris, senior vp
Harold Gruskin, president, Vickers Petroleum
Richard S. Snider, vp-corporate communications

ADVERTISING AGENCY

Ackerman-McQueen, Oklahoma City—R. Lamons, acct super.

STP CORP.

Fort Lauderdale, Fla.

MARKETING PERSONNEL

John Boone, president/ceo
John R. Preston, senior vp, U.S. operations

ADVERTISING AGENCY

Henderson Advertising, Greenville, S.C.—motor oil, filters, carburetor cleaner.

INTERNATIONAL JENSEN INC.

Westchester, Ill.

MARKETING PERSONNEL

Edward F. Anixter, president/ceo
Robert F. Erazmus, president, manufacturing group and Jensen Sound Laboratories
James S. Twerdahl, vp-genl mgr, car audio components group
Russel E. Trennert, adv mgr, car audio components group
Fred N. Hackendahl, vp-genl mgr, home audio group
Chuck Wendt, mktg services mgr, home audio group

ADVERTISING AGENCIES

Benton & Bowles, Chicago—car audio components group—Carol Singer, acct exec.

Lee King & Partners, Chicago—home audio group—John Murphy, acct exec.

Ford Motor Co.

	1979	1978
Sales	**$43,513,700,000**	**$42,784,100,000**
Earnings	**1,169,300,000**	**1,588,900,000**
Advertising*	**215,000,000**	**210,000,000**

***AA estimate**

Ford Motor Co., Dearborn, Mich., the 10th largest national advertiser, spent $215,000,000 on 1979 advertising, up from $210,000,000 in 1978. Ford lost an estimated $1 billion in North America Operations but recouped it overseas.

"All things considered, I would say we had a pretty good year," said chairman Philip Caldwell, who became the first non-Ford family member to head the company. He succeeded Henry Ford II who stepped down prior to the annual meeting. Earlier he turned the reins of ceo over to Mr. Caldwell who had been president. Mr. Ford remains as chairman of the finance committee.

Ford's ad spending came in the face of a fuel shortage and turn to small cars, many of them imports, that saw its U.S. sales of cars and trucks slide 17% and the company's market share shrink to 20.7% from 23.6%.

Of the $215,000,000 in ad expenditures, a total of $176,000,000 was spent in major media, Mr. Caldwell said. Other spending, including joint advertising, direct mail, outdoor and advertising for diversified product operations, amounted to $38,000,000, running the figure to $215,000,000. Sales promotion of another $38,000,000 rounded out the total to $253,000,000.

Dollar sales worldwide rose 2% to $43.5 billion from $42.8 billion but automotive operation sales declined $141,000,000 to $39.9 billion while nonautomotive sales increased $871,000,000 or 32% to $3.6 billion. Profits worldwide of $1.169 billion dropped $420,000,000 from $1.6 billion in 1978. The earnings decrease "was more than accounted for by a decline in U.S. earnings which resulted from lower volume, a smaller Ford market share as demand shifted to smaller cars and a less profitable mix of vehicles," the company said.

▪ The slump in North America also "more than accounted" for unit sales falling off on a worldwide basis, the company said. Sales of cars, trucks and tractors totaled 5,940,000 units, down from 6,557,000 or 617,000 units. About half the decline in U.S. sales came in the fourth quarter when 1980 models were introduced in what usually is the busiest and most profitable period.

Ford sold 2,082,398 cars in the U.S., down from 2,679,587 the year before. Truck sales fell to 1,145,079 from 1,410,735 but still were good enough for sales leadership for the third straight year. Market share for trucks was off slightly to 32.6% from 32.8%. The total of cars and trucks was down to 3,624,074 from 4,492,562. Worldwide sales were 5,806,130 vehicles, down from 6,461,351.

Ford measured ad spending increased by almost $5,000,000 to $177,000,000. As usual, the bulk went into tv—$118,000,000. Within that category, network tv showed an increase to $89,400,000 from $79,510,600 while spot tv declined to $28,600,000 from $31,287,900. In 1978, tv spending was about $110,798,000.

Magazines shot up to $37,000,000 from $23,744,900 while newspaper expenditures at the factory level dropped to $11,000,000 from $27,209,700. Radio rose to $11,000,000 from about $7,000,000.

It was the same story within the car divisions. The Ford unit spent $119,298,000 in measured media, up from $116,879,100. Tv spending rose about $10,000,000 to $79,572,100. The use of magazines increased to $24,933,200 from $18,951,400 while newspapers fell to $7,396,700 from $19,109,700. Radio was up a bit to $7,396,300 from $6,358,300.

▪ Lincoln-Mercury spent $52,038,000 on measured media, up from $50,590,400 with major reversals in the allocation of tv expenditures. The emphasis was on network tv with $26,279,000 compared with $19,330,100 a year ago. Spot tv dropped by half to $8,430,000 from $17,705,400. Magazine outlays went up to $10,875,000 from $4,705,600 and newspaper spending fell to $3,226,000 from $8,100,000.

Ford division's car sales slumped some 300,000 units. The only car lines showing gains in 1979 over 1978 were the three smallest. Mustang jumped to 304,053 units from 199,760 and the venerable Pinto went to 187,708 from 167,880. Fiesta was up a bit to 78,109 from 76,145. Fairmont was still the leading Ford division nameplate with sales of 338,619, down from 405,780,000. The newly downsized LTD and Thunderbird saw sales also shrink. The full-size Ford went to 245,565 units from 332,930 and T-Bird shrank about a third to 215,698 from 304,430. Granada was down to 141,737 from 219,026.

Ford trucks fared no better in the public's quest for maximum fuel economy. The total shrank to 2,723,102 from 3,256,501. Only the imported Courier minipickup showed a gain—from 70,557 to 78,088. Heavy trucks, including mediums, lost relatively little, moving to 92,580 from 99,015. Vans and pickups were the hardest hit. The pickups fell to 718,158 from 864,046 and vans dropped to 169,545 from 287,764. The four-wheel-drive Bronco fell to 69,724 from 82,343.

As at Ford division, small cars—and the specialty XR-7—were the only ones showing an increase at the "upscale" Lincoln-Mercury division. Bobcat, twin of Pinto, was up to 44,674 units from 30,201 and Capri (Mustang) rose to 90,850 from 18,035. Drops were precipitous in the bigger cars and even the compact Zephyr fell to 99,335 from 120,781.

The big Lincoln went to 60,797 from 97,009 and Mark V-VI dropped to 56,888 from 75,731. Mercury plummeted to 94,654 from 136,719. It had been the sales leader in 1978. That mantle fell to the XR-7 (T-Bird) with 1979 sales of 121,184, up from 159,687. Versailles was still the smallest seller, with 13,586, down from 15,747. Total sales fell to 641,270 from 772,064.

There was no hint of the sales ills to come in the fall of 1978 when the 1979 models were bravely put on sale. Indeed, it was the opening of Ford's 75th anniversary, complete with a two-hour tv special that was interrupted just five times for commercials—3½ minutes for the opening and 2½ minutes for the close. Comedian Bill Cosby was still the corporate spokesman saying, "Ford wants to be your car company."

▪ Ford division entered the marketing fray with record ad budgets for an introduction. "Nothing stimulates a market more than a change," said Walter Walla, the division general manager, who expected a booming market. He didn't get it and later in 1979 took early retirement.

Mustang was new for 1979 as was the newly downsized big car, the Ford LTD. Ford was after its "traditional" small car leadership title. It was stolen by imports as gas shortages swung the market to foreign small cars. That hurt Ford because "the company's share of the small-car segment was lower than

Top 25 farm paper advertisers

Rank	Advertiser	Expenditures 1979	1978
1	International Harvester Co.	$5,929,909	$3,176,457
2	Elanco Products Co.	5,559,212	4,531,853
3	Monsanto Agricultural Products	3,761,049	2,444,898
4	American Cyanamid Co.	3,757,665	3,736,245
5	Deere & Co.	3,629,360	3,738,479
6	Ciba-Geigy Corp.	3,535,989	2,585,599
7	Dow Chemical Co.	3,168,069	1,223,319
8	Stauffer Chemical Co.	2,642,485	2,068,929
9	Ford Motor Co.	2,568,464	1,971,700
10	FMC Corp. Agricultural Chemicals Division	2,280,609	2,104,150
11	E. I. DuPont	2,078,004	1,723,750
12	Union Carbide	2,059,373	1,706,042
13	Mobil	1,995,503	1,810,984
14	New Holland-Sperry Rand Corp.	1,965,024	1,887,294
15	Chevrolet	1,723,940	1,242,241
16	Upjohn	1,705,245	1,585,392
17	Shell Chemical Co.	1,628,150	1,469,453*
18	Mobay Chem. Corp., Agricultural Chemicals Division	1,507,571	1,607,085
19	J. I. Case	1,484,839	931,087
20	Northrup King & Co.	1,369,255	1,454,315
21	DeKalb Agresearch	1,357,323	1,271,266
22	Allis Chalmers	1,350,096	1,086,598
23	Diamond Shamrock	1,217,922	466,356
24	Merck & Co.	1,181,677	857,176
25	Pioneer Seed Div.	1,163,941	1,120,846

Source: Agricultural Marketing Information Service (Agricom).
*Agricom reported $2,646,178 for Shell last year but restated the figure in this year's report.

its shares of other segments," the company acknowledged.

Lincoln-Mercury also had a downsized big car, the Marquis, and the Mustang twin, the Capri. But it also had still large Lincoln Continentals and Mark Vs that it perforce sold as "the last of the breed." L-M said it would be hard-pressed to keep up with the expected demand for the big cars and that proved to be the case until the late-spring gas crunch.

▪ By spring, L-M and Ford divisions were thinking more about the coming General Motors X-body compacts than about gas or the imports. L-M planned a $3,000,000-plus spring campaign against the Buick and Oldsmobile X-cars. The division was backed by sales running 19% ahead of a year ago and market share had boomed to 7.1% from 6.2%.

Ford was pushing its compact Fairmont along with the elderly Granada compact. The emphasis was to counteract the strong mpg story GM was expected to tell. Mustang continued its "new breed" approach and was the Indianapolis 500 pace car. Replicas of the pace car were expected to be hot items. Ford ended up with heavy dealer incentives to clear them out.

No sooner was the spring ad campaign set than Kenyon & Eckhardt dropped its bomb: It was leaving L-M for Chrysler Corp. in a $120,000,000 account change. It left L-M surprised and with little time to ready 1980 model introductory ads.

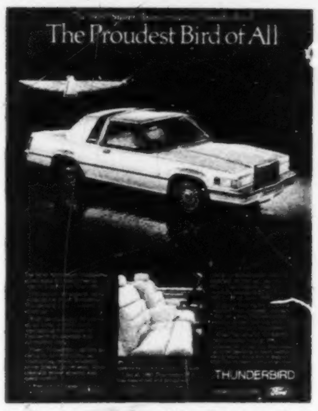
The search quickly narrowed to the former Chrysler agencies, Young & Rubicam and BBDO, with Ogilvy & Mather in the running long enough to lose the Mercedes-Benz account. Wells, Rich, Greene was a dark horse. Y&R, considered the front runner, did win L-M but WRG came on to take Ford corporate and other Ford accounts relinquished by K&E.

Y&R also gave Ford a second agency with international capability to go along with J. Walter Thompson Co., which was shakily hanging on as the Ford division agency.

▪ JWT had to pay Ford a "six figure" amount after billing irregularities were discovered by Ford auditors. JWT's sales promotion division failed to pass along volume credit discounts and a JWT art subsidiary took a double billing markup. JWT named Joseph W. O'Donnell as the fourth general manager of its Dearborn office in four years and he promptly closed down the sales promotion division. Ford took steps to prevent repeat of the billing problems. After all the changes, Ford gave JWT a vote of confidence.

Ford launched a $1,500,000 campaign to clear out a 75-day supply of light trucks prior to introducing 1980 models. Ford also launched a prelaunch corporate campaign, the first by WRG. It replaced comedian Cosby with a "Ford—that's incredible" pitch complete with film of Ford's Rouge plant. It also promoted tours of the facility. "If you could see tomorrow the way it looks to us today, you'd say incredible," ran a theme song. Nine months later, Ford was to cancel the Rouge tours after it closed the plant after some 52 years in a cost-cutting move.

▪ Ford division spotlighted the Thunderbird which finally came up for downsizing and spiffed up the other car lines. LTD gained a Crown Victoria model at the upper end and actor Terry Thomas complained in tv spots, "Your LTD was just as quiet as our Rolls-Royce. It's hardly cricket."



Influenced by the increasing small-car ardor of the U.S. consumer, even Ford's "proudest bird of all" has clipped wings.

Mustang was "certified" by the U.S. Auto Club as a "true sports car." Ford trucks, redesigned, became "the first new trucks of the '80s." That theme spilled over to the entire Ford division lineup with "a better idea for the '80s." Shortly before the campaigns broke, the division added a fuel economy campaign on top of the regular ads. The tv and 50-newspaper market drive talked of leadership in some cars and trucks and improvement in all. The nearly $2,000,000 campaign was added when official mpg figures were released.

Lincoln-Mercury was still struggling to clear out 1979 models with indirect rebates ranging from $700 to $1,300 on full-size models. Ford joined in with rebates that included the '79 trucks and cars. L-M had hopes that its downsized Lincolns and Mark VIs would catch the fancy for higher mpg after the "last of the breed" left the scene. The new luxury models were the subject of an eight-page magazine insert and got a heavy tv splash. The task was to convince buyers that luxury cars weren't gas guzzlers. Versailles, in its last model year for a while, was the car for those "who enjoy having things very much your own way."

▪ The first 10-day sales report of the new model season was prescient. Although Ford division sales rose 10% only Fairmont and T-Bird were winners. The LTD dropped 40%. Things were worse on the L-M side. Its biggest losers were the cars that were supposed to be the biggest winners—Continental and Mark.

Ford and L-M countered with dealer incentives (indirect rebates) to clear out the 1979s so dealers could sell 1980s.

The buys were over and above the fall introduction advertising and featured announcer Ed McMahon for Ford's "Countdown clearance." L-M had a "Smart buyer's sale." The ads said dealers would be using the incentives to cut prices.

Ford division readied a midyear push that would concentrate ad efforts on the car lines that were selling. "Special package" option cars were to be highlighted but the division was rejecting direct rebates as "distress" marketing. Actress Lauren Bacall made tv spots for a new four-door Fairmont Futura model and actor Peter Graves was talking up the LTD Crown Victoria. It was the first product pitch for Mr. Graves although he did serve as a pre-Cosby corporate spokesman.

Ford waited until February when all its dealers were gathered in solemn conclave at the National Automobile Dealers Assn. convention in New Orleans to announce it would follow GM into direct rebates.

▪ The rebates followed the idea of pushing the cars that were selling. But Ford and Lincoln-Mercury were convinced there was life after rebates and planned to follow the $15,000,000 to $20,000,000 rebate splurge with a similar spring effort. The rebate program budget was estimated at $75,000,000 including the advertising.

Rebates helped the Fairmont-Zephyr in February but the scattered winners at Ford and other car companies didn't stop sales from slipping another 12% or so.

It also wasn't enough to keep William O. Bourke from taking early retirement as exec vp of North America Operations. He left when Mr. Ford removed himself as chairman, gave the job to Mr. Caldwell and the president's job went to a Bourke rival for the post, Donald E. Petersen, formerly exec vp, Ford International automotive operations.

▪ With cars and light trucks in sales trouble, Ford turned to medium trucks—an admittedly stable market of some 160,000 units a year. "It's still a big piece of the total truck market," said Allan R. Krueger, heavy truck sales and marketing manager at Ford division. Chevrolet and Ford squared off using new diesel engines as weapons. Experts said the medium truck market could grow from 8.6% diesel to 30% diesel and both truck makers wanted in.

Both hunted the same buyers using the same media. It's a combination of specialized use magazines and general business publications aimed at businessmen who, incidentally, operate trucks rather than truckers *per se*.

The oft-maligned Pinto proved again it was a survivor. Despite awards of $6,500,000 in personal injury cases (out of $9.8 billion still being asked) Ford was found innocent of reckless homicide in the Winamac, Ind., fuel tank trial.

Indeed, Pinto not only survived the publicity but was, in effect, being held over into the 1981 model year. Ford was making twice as many as it was selling with the idea of using the inventory to backstop its 1981 front-wheel-drive replacement, the Escort. Ford feared it might not be able to meet the Escort demand. For the same reason, Fiesta was scheduled for continued importation.

Ford Parts and Service decided to go into the oil business with its Motorcraft brand. The oil, formerly available only through dealers, went public for do-it-yourselfers.

That followed Ford Parts' theme for its after-market parts of "Motorcraft . . . for sure" also aimed at do-it-yourselfers. Y&R handles that division.

Ford also put new emphasis on its service warranty plan through Ford Parts. It broke a major campaign in early 1979 for its 2-year-old plan which provides an insurance-like policy for new car buyers. GM also entered the competition calling its plan, "The option of the year."

One result was dollar sales of parts and accessories rose 7% in 1979 from the previous year with Motorcraft sparkplugs up 34%. Nearly one in five new car customers bought the extended service plan.

In addition to Pinto, Ford also had its problems with the Federal Trade Commission and the National Highway Traffic Safety Administration. Transmissions that allegedly jump from the park position into reverse were being probed by NHTSA with Ford saying it could find nothing wrong. The FTC found plenty wrong with a "hidden warranty" for four-cylinder engines with oiling problems—the "piston scuffing" case. The FTC and Ford came to an agreement under which Ford ends a practice of quietly fixing problems for only those who complain. The consent decree spelled out how Ford must promote the availability of plain language service bulletins. Ford not only has to use mailings to owners but must advertise in major media.

The FTC even named the media, making Uncle Sam a media buyer. "Imagine the federal government of the U.S. decreeing we spend so much money per year in advertising in certain publications," said Mr. Bourke, then head of Ford North America.

In the U.S., Ford Diversified Products Operation (tractors, aerospace, communications, steel and glass) "contributed significantly" to results, the company said.

Ford Tractor sales of 133,600 units in 1979 were the highest since worldwide operations were formed in 1965. Ford Aerospace & Communications had sales of $503,000,000, up from $447,000,000. Ford Motor Land Development completed construction of six office buildings in the Fairlane project in Dearborn. Construction started on twin 21-story office towers at Renaissance Center, Detroit.

Ford Motor Credit Co. had profits of $153,000,000, up 27%. In the U.S., Ford Credit financed 17% of Ford vehicles at retail and 65% of sales to dealers.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$11,000,000	$27,209,700
Magazines	37,000,000	23,744,900
Farm publications	——	1,971,700
Spot tv	28,660,000	31,287,900
Network tv	89,400,000	79,510,600
Spot radio	9,548,000	6,475,000
Network radio	1,452,000	530,800
Outdoor	——	1,308,100
Total measured	177,000,000	172,038,700
Unmeasured	38,000,000	37,961,300
Total	215,000,000	210,000,000

CORPORATE MARKETING PERSONNEL

A. B. Connors, vp-mktg
John R. Bowers, director, adv/merch strategy
R. C. Reynolds, mgr adv programs
F. R. Wuellner, mgr adv policy/strategy

ADVERTISING AGENCY

Wells, Rich, Greene, New York—Alan Breward, senior vp and group head; Brian Holland, vp-mgmt super; Paul Barrett, senior vp-genl mgr, Detroit office.

FORD DIVISION

MARKETING PERSONNEL

P.E. Benton Jr., vp-genl mgr
B. L. Crumpton, genl sales mgr
M. S. Shanks, exec asst-dealer affairs
L. E. Lataif, genl mktg mgr
J. G. O'Connor, light truck sales mgr
D. T. McClure, adv mgr
R. J. Gillooly, car adv mgr
J. H. Baird, dealer adv mgr
T. P. Ryan, truck adv mgr
T. L. Davis, merch mgr
J. P. Snook, vehicle sales promo mgr
D. M. Pohlod, vehicles sales promo mgr

TRUCK & RECREATION OPERATIONS

MARKETING PERSONNEL

J. A. Capolongo, vp-genl mgr
A. R. Krueger, heavy truck sales and mktg mgr
E. K. Gray, sales promo mgr

ADVERTISING AGENCY

J. Walter Thompson Co., Dearborn, Mich.—J. W. O'Donnell, exec vp-Detroit genl mgr; C. J. Balestrino, senior vp-group mgmt super, car; D. L. Sinclair, vp-mgmt super, car; R. M. Hrtanek, acct super, car; J. G. Schulte, senior vp-acct director, Ford; T. A. O'Connell, vp-acct super, car; G. B. Niemi, senior vp-group mgmt super, truck; B. W. Miller, acct super, truck; A. C. Kesteloot, vp-mgmt super, car; R. F. Salvo, acct super, truck; R. Gambele, mgt super, Ford dealer adv.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$7,396,700	$19,109,700
Magazines	24,933,200	18,951,400
Farm publications	——	1,900,000
Spot tv	19,326,700	13,389,200
Network tv	60,245,400	55,896,900
Spot radio	6,112,000	5,827,500
Network radio	954,300	530,800
Outdoor	——	1,273,600
Total measured	119,298,300	116,879,100
Unmeasured	25,612,000	25,320,100
Total	144,910,000	142,199,200

ADVERTISING EXPENDITURES**

	1979
Newspapers	$32,328,800
Magazines	31,042,100
Farm publications	2,568,500
Spot tv	30,922,100
Network tv	97,016,000
Spot radio	12,211,300
Network radio	1,865,800
Outdoor	2,126,500
Total measured	210,081,100

**From AA's usual sources.

RETAIL SALES (U.S. IN UNITS)

	1979	1978
Ford	245,565	332,910
LTD II	26,700	138,947
Thunderbird	215,096	304,430
Granada	141,737	219,026
Fairmont	338,819	405,780
Pinto	187,708	167,880
Mustang	364,053	199,760
Fiesta	78,109	76,145
Total	1,538,389	1,844,898
Bronco	69,724	32,343
Ranchero	17,879	21,993
Econoline	169,545	227,764
Courier	78,088	70,[illegible]57
Lt. Conv.	718,158	864,046
Club Wagon	38,818	45,964
Heavy	92,501	99,015
Total	1,184,713	1,411,682
Total cars & trucks	2,723,102	3,256,580

LINCOLN-MERCURY DIVISION

MARKETING PERSONNEL

Gordon MacKenzie, vp-genl mgr
Thomas G. Daniels, genl sales mgr
Robert L. Rewey Jr., genl mktg mgr
J. B. Vanderzee, adv mgr
P. H. Cayce, merch mgr
B. A. Koehler, adv media coordinator
R. C. Neuman, major mkt/dealer adv mgr

ADVERTISING AGENCY

Young & Rubicam, Detroit—William A. Power, senior vp-Y&R, Detroit mgr; Roby Harrington, exec vp-regional director; John Sanders, senior vp-mgmt super; Chuck Riley, vp-acct super; Greg Stein, acct super; John Wattles, acct exec; Warren Winstanley, senior acct exec; Glenn Northrop, acct exec; Sandy Rowland, acct exec; Peter Harris, vp-senior acct super, Timothy Cooney, acct exec; Mark Moyer, acct exec; Michael Wilberding, asst acct exec.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$3,226,000	$8,100,000
Magazines	10,875,000	4,705,600
Farm publications	——	71,700
Spot tv	8,430,000	17,705,400
Network tv	26,279,000	19,330,100
Spot radio	2,810,000	647,500
Network radio	416,000	——
Outdoor	——	39,100
Total measured	52,038,000	50,590,400
Unmeasured	11,172,000	12,641,200
Total	63,210,000	63,231,600

RETAIL SALES (U.S. IN UNITS)

	1979	1978
Mercury	94,654	136,719
Cougar	3,955	35,251
XR-7	121,184	159,687
Monarch	55,347	78,824
Zephyr	99,335	120,781
Bobcat	44,674	30,201
Lincoln	60,797	97,009
Mark V/VI	56,888	75,731
Versailles	13,586	15,747
Capri, Dom	90,850	18,035
Capri, Import	——	4,079
Total division	641,270	772,064

FORD PARTS & SERVICE DIVISION

MARKETING PERSONNEL

C. V. Barion, genl mgr
G. C. Chave, service programs mgr
R. W. Knipper, product and mktg mgr
M. L. Jones, mktg mgr
K. C. Merrill, exec director parts operations
D. P. Richardson, adv mgr

ADVERTISING AGENCY

Young & Rubicam, Detroit—W. J. Cudlip, vp-mgmt super; T. J. Ryan, acct exec; R. M. Sontag, acct super.

TRACTOR & IMPLEMENT OPERATIONS (NORTH AMERICA) OF FORD TRACTOR OPERATIONS

Troy, Mich.

MARKETING PERSONNEL

M. H. Manning, vp-genl mgr
J. H. Grommersch, asst genl mgr, sales/mktg
H. J. Head, genl operations mgr
J. J. L. Johnson, genl sales mgr
B. J. Lamp, mktg mgr
A. H. Pridgeon, adv/sales promo mgr

ADVERTISING AGENCY

Meldrum & Fewsmith, Southfield, Mich.—Dean Neill, exec vp; O. Leffler, senior acct exec; J. Bryan, M. Shencopp, acct execs.

General Electric Co.

	1979	1978
Sales	$22,460,600,000	$19,653,800,000
Earnings	1,408,800,000	1,229,700,000
Advertising*	139,407,500	121,294,400

* AA estimate, U.S. only

General Electric Co., Fairfield, Conn., the 31st largest advertiser in the U.S., increased its domestic advertising spending by an estimated 15% in 1979 to $139,407,500. Worldwide ad spending increased to $279,562,000, a jump of 13% over 1978.

Bigger media outlays for such consumer products as flashbulbs and home burglar alarms contributed to the increase, while a trend toward general promotion of the GE brand continued in 1979 under the BBDO-created slogan, "We bring good things to life."

The company increased its magazine, tv and network radio budgets while it cut its spot radio and outdoor advertising expenditures. It boosted its magazine budget $1,534,500, or 8%; enlarged its spot and network tv budget by 28%, and increased its spending on network radio by a full 377% to $842,000. Spot radio spending fell 4% and outdoor spending was cut by 51%.

■ All of this advertising helped boost sales by 14% in 1979 to $22.46 billion, as earnings hit a new high of $1.41 billion, nearly a 15% increase.

In the first six months of 1980, GE continued to show some growth with earnings reaching $744,100,000, a 9% increase over the same period in 1979, on sales of $12.08 billion, up 13%.

The heads of GE's six operating sectors were subjected to closer public scrutiny than usual last year. In addition to individual responsibility for a significant chunk of GE business, each was regarded as an aspirant to succeed chairman Reginald Jones. Mr. Jones, now 63, is due to retire in two years, but past GE chairmen have established a tradition of jumping the gun a bit.

Consumer products and services—the most significant sector in terms of large advertising outlays—contributed $5.45 billion to company revenues and $407,000,000 to earnings.

■ Each of the 11 individual product lines on which GE spent more than $1,000,000 in ad dollars in 1979 were in the consumer products and services sector.

These included color tv sets, $5,000,000; food processors, $2,400,000; dishwashers, $5,500,000; flashbulbs, $1,400,000; microwave ovens, $3,000,000; home light bulbs, $1,100,000; refrigerator-freezers, $2,300,000; home air conditioning and heating systems, $1,750,000; digital clock radios, $1,150,000; coffeemakers, $1,150,000, and Zonar home burglar alarms, $1,500,000.

The company also spent $9,250,000 on multiproduct advertising.

One development of note was GE's move in '79 to unify the advertising applied to its various consumer items. Operating under the assumption that a consistent brand name appeal would benefit each product individually, GE shifted virtually all of its consumer product advertising to BBDO International.

The agency fielded a major, multiproduct campaign in the fourth quarter that wedded GE's products to the theme, "We bring good things to life." That signature has since become a hallmark of GE's individual product advertising.

New consumer products introduced during 1979 included a line of Light 'n Easy irons; the Great Awakening digital electronic am/fm model with microprocessor technology; the Versatron countertop oven with family-size capacity, electronic controls and removable cleaning panels; a remote control tv system that allows viewers to program up to 20 channels for instant station selection; a programable videocassette recorder that, for each weekly period, permits recording of as many as five different programs at different times on different channels, and a tv chassis using 20% less energy on 19-inch color sets.

Also in 1979, GE announced that beginning in 1981 it would market the Halarc lamp—a $10 light bulb that is supposed to use one-third as much electricity and last much longer than conventional bulbs.

GE last year also chose its allies for the upcoming videodisc war when it signed an international *entente cordiale* with Japan Victor Co. and Britain's Thorn EMI. In choosing to align itself with JVC's disc format, the third and latest of the three announced systems, GE is pitting itself against its major tv competitors, most of whom have gone their separate ways.

The new consortium GE has elected to join will meet the Magnavox DiscoVision, a product in limited distribution involving the combined talents of Magnavox, Philips NV, MCA, IBM and Pioneer Electronic Corp., and a player developed by RCA, which won the backing of Zenith Radio Corp and CBS.

General Electric Credit Corp., GE's wholly owned finance subsidiary, turned in a strong performance last year. Earnings of $90,000,000 represented a 17% increase over the 1978 figure. Total receivables grew by $1.4 billion to $7.7 billion at the end of 1979.

Among its new programs, GECC introduced a major purchase card for use by consumers acquiring furniture and major appliances. It also began leasing foreign automobiles last year.

Industrial products and components accounted for revenues of $4.8 billion and net earnings to $272,000,000.

The company sustained its position during the year as the leading supplier of small electric motors. Besides supplying motors for use in GE products and those of other appliance and air conditioning manufacturers, motors were sold to the farming and mining industries.

GE also developed a new self-checking 600-volt relay that allows safe operation of punch press equipment, and it introduced new solid state photoelectric controls that permit more economical operation in material handling applications.

The power systems sector contributed revenues of $3.6 billion and net earnings of $114,000,000. The company made the first commercial shipment of an automatic meter reading system that allows remote reading and better load management.

Elsewhere, GE became a partner in a Taiwan joint-venture manufacturing operation to produce large steam turbine generators. The new company is called United Asia Electric Co.

Technical systems and materials contributed revenues of $6 billion and net earnings of $356,000,000. GE was selected during the year to develop a new solid state, three-dimensional radar system for the Air Force, while Genigraphics, GE's computer-generated graphic slide service, doubled both equipment sales and the size of its nationwide network of service centers.

GE's natural resources operations, mainly Utah International, set new highs. Revenues increased 22% higher in 1979, while earnings, which hit $208,000,000, increased 16%.

The remainder of GE's revenues and earnings were contributed by the international sector, which had revenues of $2.9 billion and net earnings of $65,000,000.

In the acquisitions area, a 1978 agreement by GE to buy Cox Broadcasting, one of the largest independent chains of tv and radio stations, fell through this year when Cox pulled out of the deal. GE attributed the development to the "inordinate" price demand in excess of the $500,000,000 it had originally agreed to pay.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$9,130,200	$9,002,600
Magazines	20,383,600	18,849,100
Spot tv	10,164,900	8,181,400
Network tv	24,862,600	19,084,400
Spot radio	835,100	870,700
Network radio	842,000	176,400
Outdoor	64,100	129,800
Total measured	66,282,500	56,294,400
Unmeasured	73,125,000	65,000,000
Estimated total	139,407,500	121,294,400

CORPORATE PUBLIC RELATIONS OPERATION

MARKETING PERSONNEL

David W. Burke, mgr
Karl L. Koss, mgr, corporate adv
H.M. Snider, project leader
Frederick N. Robinson, mgr, corporate editorial programs
James G. Rebeta, mgr, corporate exhibits
E.J. Clark, mgr, educational communications programs
Louis V. Marsh, mgr, exec communications & conferences

ADVERTISING AGENCY

BBDO, New York—Bill Weigold, mgmt super.

ADVERTISING & SALES PROMOTION OPERATIONS

R.E. Pulver, mgr
G.J. Nicastro, media director

Program Operations

C.H. Biederman, mgr, consumer operations
D.P. Jones, mgr, energy systems operation
D.A. Quincy, mgr, industrial operation
R.E. Ingmire, mgr, technical systems operation

Supporting Operations

R.O. Stratton, mgr, creative services operation
J.M. McGarry, mgr, resources operation
F.J. Fagan, mgr, financial & admin operation
J.T. Hurley, mgr, systems devel operation
G.A. Hubbard, mgr, employe relations operation
T.M. Egbert Jr., news bureau operation

CONSUMER PRODUCTS & SERVICES SECTOR LIGHTING BUSINESS GROUP

MARKETING PERSONNEL

Lamp Products Department

W.D. Rayer, mgr, adv & sales promo
J.M. Ball, mgr, sales promo
J.A. Preyss, mgr, adv
M.D. Reilly, mgr, packaging programs
T.J. Kusnirek, specialist, Christmas & automotive
P.A. Hogland, specialist, fluorescent
R.M. DeGraff, specialist, incandescent
E. Beech, specialist, photo

Commercial & Industrial Products Marketing

W.J. Wagner, mgr, adv & sales promo
R.L. Clarke, super, product & user programs
R.W. Ayers, super, distribution & promo programs
J.M. Hvala, specialist, product/user programs
L.A. Strah, specialist, product/user programs
R.W. Hanna, specialist, distributor programs
B.C. Fisher, specialist, promo programs
W.E. Kuhlenschmidt, specialist, communications

Public Relations-Consumer & Industrial Products

W.M. Rogers, mgr, pr
W.S. Cahill, specialist, commercial & industrial
L.F. Muehling, specialist, consumer

Advertising Services

D.R. Lowe, mgr, adv services
R.W. Wilson, specialist, measurements & media
E.E. Trout, specialist, conventions, exhibits & signs
R.J. Zimmerman, super, art dept
D.H. LeMunyon, specialist, packaging graphics
P.A. Zak, production & distribution super
J.D. Ulrich, super, photographic operations

Lamp Components Division

P.A. Wrobleski, mgr, district sales/sales support operations

Overseas Lamp Department

W.R. Worstell, mgr, adv & sales promo

Lighting Systems Department

W.W. Russell, mgr, communications & mktg devel
N.E. Orrok, super, creative service & mktg devel
P.G. Britt, super, continuing communications
W.S. Harvey, specialist, mkt devel
J.D. Bradt, specialist, creative communications
M.C. Potter, specialist, lighting education
M.G. Smith, mailing list coordinator

ADVERTISING AGENCIES

BBDO, New York—consumer products, overseas lamp products—Bill Weigold, mgmt super; Bill Hobday, acct super.

Advertising & Sales Promotion Operations, Louisville, Ky.—commercial & industrial lamp prods.

Advertising & Sales Promotion Operations, Vienna, Va.—lighting systems dept.

Carr Liggett, Cleveland—miniature lamp products—Bill Masonis, acct exec.

Dix & Eaton, Cleveland—lamp components div—Edward F. Kelly, acct exec.

Meldrum & Fewsmith, Cleveland—commercial & industrial lamp products—Lillian Jones, group media director.

Price/McNabb Advertising Associates, Asheville, N.C.—lighting systems dept—Harris J. Fields, acct super.

Hesselbart & Mitten, Fairlawn, O.—consumer lamp trade—William C. Waldman, senior vp, acct super; Janet Price, media director.

MAJOR APPLIANCE BUSINESS GROUP

MARKETING PERSONNEL

Contract Sales Division

R.C. Lenn, mgr, merch & adv planning

Marketing Division

W.O. Leftwich Jr., vp & genl mgr
H.M. Metzler, R.N. Graham, V. Alcott, mgrs, natl adv
W.E. Hughes, mgr local adv services

ADVERTISING AGENCIES

Advertising & Sales Promotion Operation, Louisville—product service dept, GE local & contract sales adv.

Young & Rubicam, New York—GE products—Bill Thompson, acct director; Ed Comiskey, mgmt super; William McGorry, acct super; Ronald Walter, Timothy Brenton, Phillip Moloney, acct execs.

HOUSEWARES & AUDIO BUSINESS DIVISION

MARKETING PERSONNEL

Housewares Marketing Department

V.F. Novak, mgr, adv, sales promo & pr
E.F. Miller, mgr, pr
M.D. Hennebry, mgr, adv & sales promo
T.C. McCann, specialist, adv & sales promo

Audio Electronics Products Department

N.R. Huey, mgr, adv & sales promo
R.D. Harris, J.R. Nelson, specialists, adv & sales promo
W.A. Fitzgerald, mgr, meetings, shows & exhibits
R.M. McElfresh, mgr, sales training & press relations

ADVERTISING AGENCY

BBDO, New York—audio electronics products dept—Clark Hine, mgmt super; Philip Cooper, act super. Housewares mktg dept: Less Lilliston, Bill Yankus, acct supers.

TELEVISION BUSINESS DEPARTMENT

MARKETING PERSONNEL

G.E. Segner, mgr, mktg communications
R.C. Gennuso, Diane Greenwood, specialists, sales, production & promo
R.W. Myers, mgr, product training
R.F. Campbell, mgr, press relations & natl adv

ADVERTISING AGENCIES

General Electric News Bureau, New York.

BBDO, New York—Bill Weigold, mgmt super.

Lawler Ballard Little Advertising, Norfolk, Va.—Dan Ballard, mgmt rep, creative; Hal Austin, mgmt rep, acct services; Bob Barker, acct exec.

GENERAL ELECTRIC CREDIT CORP.

MARKETING PERSONNEL

D.H. Williams, vp, corp mktg

ADVERTISING AGENCY

BBDO, New York—John Groesbeck, acct exec.

GENERAL ELECTRIC BROADCASTING CO.

MARKETING PERSONNEL

T.H. Walden, program & promo mgr, WRGB-TV
M. Neff, mgr program/public affairs, WGY/-WGFM radio

GENERAL ELECTRIC CABLEVISION CORP.

MARKETING PERSONNEL

P.F. Schonewolf, mgr, mktg

General Foods Corp.

	1979	1978
Sales†	$5,959,600,000	$5,472,500,000
Earnings†	255,800,000	232,100,000
Advertising*	393,000,000	340,000,000

† For the fiscal year ended March 29, 1980 and 1979
*** AA estimate**

General Foods Corp., White Plains, N.Y., the 2nd leading national advertiser, upped advertising 15.5% to an estimated $393,000,000 in 1979, a year devoted to building a broad company base.

Worldwide, GF spent $403,900,000 this fiscal year, an 8% increase due mainly to rate increases, especially in tv. GF's worldwide sales, which increased 9% to almost $6 billion, brought earnings up 10% over last year to $255,800,000.

In contrast to last year, when two of GF's product divisions sales showed a 1% to 3% decline, the three product categories this year show an average 9% sales increase in fiscal 1980. Packaged convenience foods brought in $2.8 billion, representing an 8% jump and 47% of total GF sales. Grocery coffee held 39.5% of the $4.7 billion market, to lead as the largest supermarket category in the U.S. Coffee sales increased 11% to $2.3 billion, for 39% of GF revenue. The Food-Away-From-Home division also increased sales 10% to $813,300,000, or 14% of total sales.

■ The packaged convenience foods business was reorganized last April to "increase the effectiveness and efficiency of manufacturing and sales organizations," and to "refocus on business priorities." Three units were realigned into six separate divisions—beverages, Birds Eye agricultural products, breakfast foods, desserts, main meal and pet foods—each accountable for its own franchise and financial results.

Although packaged convenience foods attained good volume growth this year, earnings declined 15% due primarily to losses on carbonated candy products worldwide. Pop Rocks and Cosmic Candy, introduced in 13-week cycles, will no longer be marketed in the U.S. Both products were victims partly of health-related rumors and "a swift fall-off in the novelty effect."

GF's powdered beverages continued to dominate the market with Kool-Aid's 45% share backed by more than $21,000,000 in network and spot tv advertising, according to Leading National Advertisers Inc. Country Time, the leading lemonade mix, holds second place in the market with a 9.5% share and ad support totaling more than $11,000,000. Actor Harry Holcombe continues to represent the grandpa with "strong product identification" in Country Time's four-year-old Ogilvy & Mather campaign.

The division's big sellers again were Jell-O gelatin dessert and Cool Whip frozen topping, spending $12,596,400 and $10,094,700, respectively. GF's Cool Whip leads the topping industry, which grew 10% this fiscal year. And although many factors contribute to a product's growth, a spokesman said, Bill Cosby's comedy spots for Jell-O have helped buoy sales.

New arrivals in the division include Jell-O brand Pudding Pops, now expanding into additional test markets, and Increda Bubble bubble gum with bursting candy particles. Introduced this year as GF's entry to meet a demanding market, Increda Bubble met its sales objectives, GF said. Foote, Cone & Belding is the agency.

GF also broke into the dietetic dessert business this year with Anytime 50 calorie dessert treats, now in test markets. Anytime products come in four flavors, packaged in two 4-oz. cups, with a 59¢ retail price. Young & Rubicam has the product, now testing in Jacksonville, Fla., Omaha, Neb., and Rochester, N.Y.

O&M, New York, created for GF a non-sell nutrition message which explained the government's new dietary guidelines for Americans. The 16-week print campaign ran in a select list of newspapers. The introductory ad was titled, "Sane talk about food and your health."

The pride of GF's packaged convenience foods' main meal division this year is Oven Fry, a chicken coating mix which met all volume expectations. Encouraged by Oven Fry's success, GF is testing a similar coating for pork. New ads by Grey Advertising, New York, say Oven Fry "tastes southern fried—but you know it's oven fried. Fried chicken without the mess." Last year, Oven Fry was supported by $14,059,800 in advertising, mostly for network tv, more than a $13,000,000 increase.

Stove Top stuffing mixes, with heavy ad support, $12,214,900 mostly for network and spot tv, experienced significant volume gains. Minute Rice, with $8,379,000 in measured support, registered volume growth to pace the industry, GF reported.

GF has not increased its approximately 11% share of the pet food market, but in a year where all major companies lost share points, GF made some progress with previous products and new introductions. Top Choice and Gaines Burgers, the top two moist dog food brands, and Gaines Variety and Puppy Choice, were four of only five brands in that category that increased sales over 1978 figures.

Cycle canned dog food increased sales from $45,000,000 to $55,000,000 last year and became No. 6 in that category. It is the only GF entry in that category. Cycle dry dog food recorded the highest sales increases in its segment, jumping from $30,000,000 in '78 to $48,000,000 in '79. The total ad budget for Cycle products was $14,898,700.

▪ The three GF dry dog food entries, Gravy Train in third place, Cycle in seventh, and Gaines Meal in 15th, give the company a 10.8% share of that market area. In contrast, GF dominated 60% of moist dog food sales this year. To its Gaines line ad budget, totaling $25,140,200 in 1979, GF added Gaines Complete, a lower cost, soft-moist product. Gaines Full Course seemed to show high repeat purchase rates this year, GF said.

Within GF's giant 39.5% share in the grocery coffee market, Maxwell House brand's 22.3% share trails Folgers' 27.3% share in the regular coffee segment. The addition of GF's other brands, including Sanka, Brim and Yuban, gives GF a 31.5% share of regular coffees. The company retains its strong 47.5% share of the instant coffee segment with Maxwell House alone holding 23.4%.

You loved it as a kid.
You trust it as a mother. Kool-Aid.

General Foods' Kool-Aid ad emphasized economy and nutrition with some nostalgia for magazine advertisements.

▪ In an effort to perk up ad strategy, GF traded a negative portrayal of coffee as difficult to make with often poor results, for ads that described the beverage as versatile and tasty. The switch is part of an attempt to build the over-all coffee market, GF said, by aiming at a younger, more diverse audience. Ads are nonbreakfast related, or show coffee in situations that could not be preempted by a cola drink.

The Maxwell House line was supported by $34,479,200 in measured advertising, with $14,665,700 in network tv and $12,958,500 in spot tv. Brim decaffeinated coffees, backed by a $12,591,800 total ad budget and a new campaign encouraging consumers to "fill your cup to the rim" increased volume and consumer awareness. Sanka brands put $1,581,400 of its total $20,702,300 ad budget into magazines for instant coffee, $15,010,700 into network tv, and $3,549,800 into spot tv, with a small amount going for newspaper supplements.

▪ Activity in GF's grocery coffee segment this year includes the $110,000,000 September, '79, acquisition of HAG AG, a coffee interest in Bremen, West Germany. Together, GF and HAG hold 10% of the German coffee market. Although GF withdrew Mocafa, an instant chocolate-flavored coffee, its Master Blend, a higher-yield coffee tested this year, is said to be doing well.

In GF's food-away-from-home business, Burger Chef continued to operate at a loss, in fiscal 1980, although the new O&M theme—"Feel like a burger chef"—helped improve revenues, GF said. The revamped stores, complete with salad bar, new decor, and "works bar," where customers can build their own burgers, have added breakfast to their menu and a new Top Shef burger—a ⅓ lb. patty with cheese and bacon, retailing at $1.59. Burger Chef ad support totaled $5,438,000 in spot tv and $190,600 in outdoor.

▪ GF's food-away-from-home business has expanded with a new subsidiary called Theme Restaurants of America. Halfway through fiscal 1980, GF acquired a controlling interest in the GuadalaHARRY'S dinner house chain, part of Mexican Foods of American, Denver. Representing GF's first venture into a U.S. restaurant business, GuadalaHARRY'S offers Mexican dishes ranging in price from $4 to $10. Soon to join Theme Restaurants in fiscal 1981 is Meriwether's, an American translation of GF's Crock & Block chain in Canada. Meriwether's will resemble English country homes with dishes and decor aimed for the family market.

In spring, 1979, General Foods joined John Blair & Co. and O&M to be the first to distribute spot tv commercials to stations via satellite. The step into space age advertising included 30-second commercial spots for 15 GF brands in 12 cities.

A $260,000,000 California class action suit, dismissed by a Los Angeles superior court judge for not including specific allegations of deceptive advertising of Post sugar-coated cereals, was appealed last fall and is still in the courts. Consumers' main point in the suit said GF's presweetened cereals and supporting commercials aimed toward children promoted lasting poor nutrition habits and tooth decay (AA, Aug. 6, '79).

GF also entered into joint ventures with AGROCOOP, the largest Yugoslav organization for food production and trade. As part of GF's first entry into eastern Europe, GF will provide equipment and technology and AGROCOOP will provide facilities, organization and labor. Three units will produce Post snack cereals, potato chips, corn puffs and Tang instant breakfast drink.

▪ In May, 1980, GF added Ted Bates & Co., New York, to its agency roster with billings totaling $24,000,000. Maxim and Good Seasons salad dressings, billing approximately $15,000,000, moved from O&M. Mellow Roast moved from Grey, and Log Cabin from Young & Rubicam, all to Bates.

Other accounts which changed hands were Yuban from Grey, and Gaines Full Course, from O&M to B&B. From Benton & Bowles, Alpha Bits and Super Sugar Crisps went to O&M and Honeycomb, Grape-Nuts and other adult cereals went to Grey.

Y&R acquired Quick Thaw fruits, International Rice, Jell-O Americana Desserts, and Jell-O Cheesecake Mix. B&B acquired Orange Plus.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	$ 9,904,100	$ 8,240,900
Magazines	41,241,000	36,234,900
Spot tv	93,457,000	77,207,700
Network tv	203,237,800	169,427,900
Spot radio	6,452,900	1,126,400
Network radio	5,034,000	619,900
Outdoor	199,300	155,800
Total measured	359,526,100	293,013,500
Unmeasured	33,473,900	46,986,500
Estimated total	393,000,000	340,000,000

MARKETING PERSONNEL

James L. Ferguson, chairman/ceo
Ross Barzelay, president
Richard Laster, corp exec vp, president-rsch, devel & food away from home
R.P. Bauman, exec vp, president-GF Intl operations
D.J. Keller, exec vp, president pkgd convenience foods
E.R. Shames, group vp-coffee & food service
K.E. Fulton, group exec vp-sales
R.E. Haynes, creative services director
D.K. Braun, media services director
D.E. Harrington, promo services director

MAXWELL HOUSE DIVISION

MARKETING PERSONNEL

R.L. Seefert, genl mgr
R. Hummel, intl long-range planning
S.B. Morris, mgr, established categories
J.W. Johnson, category mgr, segmented brands
B.B. Bramen, category mgr, Maxwell House brands
J.P. Morrissy, business devel mgr, new products
L.A. Nelson, natl sales mgr
R.A. Walters, category mgr, decaffeinated

ADVERTISING AGENCIES

Young & Rubicam, New York—Sanka—Jane Brite, mgmt super; Ann Zopfi, acct super; Judson Saviskas, Sean Healey, acct execs; GF Intl Coffees—George Guimaraes, mgmt super; Robert Marks, acct super; Scott Mason, acct exec.

Ogilvy & Mather, New York—Maxwell House, Max-Pax—Steve Humphrey, mgmt super; Mary Lou Pritchett, vp-mgmt super.

Benton & Bowles, New York—Brim—John Boyd, mgmt super; Ted Donahue, acct super; Mark Abrams, acct exec; Jacqleen Ferrell, asst acct exec. Yuban—Barry Webster, mgmt super; Vickie Amon, acct super; David Doyle, acct exec; Dulce Chicon, asst acct exec.

Ted Bates & Co., New York—Maxim, Mellow Roast—Bruce McClaren, mgmt rep; Hal Pearson, mgmt super; Lucy Kennedy, acct super.

PACKAGED CONVENIENCE FOODS BUSINESS DIVISIONS

W.F. Dordelman, group vp

AGRICULTURAL PRODUCTS DIVISION

MARKETING PERSONNEL

E.R. Fencl, genl mgr
D.B. Torgersen, asst business mgr
N.J. Kelly, mktg mgr
P. Goold, sales mgr

ADVERTISING AGENCIES

Young & Rubicam, New York—Birds Eye vegetables, Quick Thaw fruits—Ed Comiskey, mgmt super; David Nichols, acct super; Mary Ellen Kenny, Arlene Eagle, Merry German, acct execs.

BEVERAGE DIVISION

MARKETING PERSONNEL

A.A. Aragona, genl mgr
J.L. Adams, mktg mgr
R.E. Mathis, sales mgr

ADVERTISING AGENCIES

Ogilvy & Mather, New York—Country Time—Steve Humphrey, mgmt super; Ed Vicks, vp-mgmt super.

Grey Advertising, New York—Kool-Aid—Hunter Yager, mgmt rep; Malcolm Mace/Harvi Robinson, mgmt supers; Roger Holstein, acct super.

BREAKFAST FOODS DIVISION

MARKETING PERSONNEL

W.H. Korab, genl mgr
T. Herskovits, mktg mgr
D.J. Edstrom, sales mgr

ADVERTISING AGENCIES

Young & Rubicam, New York—Tang, Awake, Instant Postum cereal beverage, Instant Postum coffee flavor cereal beverage—George Guimaraes, mgmt super; Mitchell Kurz, acct super; Barbara Jack, Peter Orrick, Maureen Howard, acct execs.

Ogilvy & Mather, New York—Alpha Bits, Pebbles, Super Sugar Crisp, new products—Steve Humphrey, mgmt super; Mike Newbrand, vp-mgmt super. Cereal new products—Frosted Rice Krinkles, Post Tens, Post Treat Pak—Steve Humphrey, mgmt super; Ed Vicks, vp-mgmt super. Lean Strips—Steve Humphrey, mgmt super; Stephanie Cosgrove, vp-mgmt super.

Benton & Bowles, New York—Orange Plus—Barry Webster, mgmt super; Sheila Moar, acct exec.

Ted Bates & Co., New York—Log Cabin—Bruce McClaren, mgmt rep; Peter Mayer, mgmt super; Michael Passet, acct super.

Grey Advertising, New York—Post Raisin Bran, C.W. Post cereals, Grape-Nuts, Honeycomb cereals—Richard F. O'Brien, mgmt rep; G. Thomas Aydelotte, mgmt super; Richard Khaleel, Carol Herman, Thomas Duncan, acct supers.

DESSERTS DIVISION

MARKETING PERSONNEL

I.P. Rosow, genl mgr
T.G. Dixcy, mktg mgr
E.H. Reynolds, sales mgr

ADVERTISING AGENCIES

Young & Rubicam, New York—Jell-O gelatin—Mathew Crisci, mgmt super; Tim Pollack, acct super; Gerard Dufour, acct exec. Jell-O Americana Desserts, Jell-O cheesecake mix—David Nichols, acct super. Jell-O pudding and gelatin pops, Jell-O yogurt puddings, Jell-O puddings—Ken Robinson, acct super; Tim Brenton, Taylor Pyne, Tom Wardrope, acct execs; Frank Vuono, asst acct exec.

Benton & Bowles, New York—Cool Whip, Cool Whip Pies—Dick Hopple, mgmt super; Steve Gramps, acct super; Connie Williams, Paul Fleming, acct execs; Debbie Kenis, Valerie Gulston, Michael Edmeadeas, asst acct execs.

Grey Advertising, New York—Baker's chocolate, Baker's coconut, D-Zerta, Dream Whip, Minute Tapioca, Calumet—Hunter Yager, mgmt rep; Steven Dammers, Milton Weinstock, mgmt supers; Pamela Marcus, Carolyn Carter, acct supers.

MAIN MEAL DIVISION

MARKETING PERSONNEL

J.S. Swartley, genl mgr
J.A. Perls, mktg mgr
J.P. Ciccatelli, sales mgr

ADVERTISING AGENCIES

Young & Rubicam, New York—Intl Rice—Ed Comisley, mgmt super; David Nichols, acct super; Mary Ellen Kenny, acct exec.

Ogilvy & Mather, New York—Shake 'N' Bake, Open Pit—Steve Humphrey, mgmt super; Karen Green, vp-mgmt super.

Grey Advertising, New York—Minute Rice, Stove Top stuffing, Oven Fry—Hunter Yager, mgmt rep; Jack Frantz, Jerry Zaret, mgmt supers; R. Craing Barnes, Susan Marber, acct supers.

Ted Bates & Co.—Good Seasons Salad Dressing—Bruce McClaren, mgmt rep; Peter Mayer, mgmt super; Michael Passet, acct super.

PET FOODS DIVISION

MARKETING PERSONNEL

R. Sansone, genl mgr
A.R. Plassche, mktg mgr
C.P. Burns, sales mgr

ADVERTISING AGENCIES

Benton & Bowles, New York—Gaines professional services, Gravy Train, Biscuits & Bits, Full Course—John Boyd, mgmt super; Ira Schwartz, acct super; Serge Prengel, Cynthia Kienzley, acct execs; Barbara DeGroot, Algernon Greenlee, asst acct execs.

Young & Rubicam, New York—Gainesburgers—Jane Brite, mgmt super; James Hood, acct super; Joe Tillie, acct exec; Mark Young, asst acct exec. Puppy Choice/Prime Variety—Robert Ferne, acct super; Anne Kirkwood, acct exec. Top Choice—Jan Starr, acct super; Anne Kirkwood, acct exec.

Ogilvy & Mather, New York—Gaines Meal—Steve Humphrey, mgmt super; Karen Green, vp-mgmt super.

Grey Advertising, New York—Cycle dog foods—Richard F. O'Brien, mgmt rep; Milton Weinstock, mgmt super; Carolyn Carter, acct super.

FOOD SERVICE PRODUCTS DIVISION

MARKETING PERSONNEL

R.L. Cobb, corp vp-div president
E.S. Caso, vp-mktg devel
T.G. Hughes, vp-operating distribution
G.C. Sternad, natl sales mgr

ADVERTISING AGENCIES

Ketchum, MacLeod & Grove, New York—James Scowcroft, senior vp, director, acct services; Karl Maier, acct super; Diana Lyne, acct exec.

Young & Rubicam, New York—Larry Shapiro, group director.

GF INTERNATIONAL

MARKETING PERSONNEL

G.D. Woolert, president, GF Pacific operations
J. Whitcomb, group corp vp-intl business devel
Robert S. Hurlbut, corp vp-president GF Ltd. (Canada)
D.A. Smith, corp vp-president, GF Latin American operations
James C. Tappan, corp vp-president, GF Europe operations

BURGER CHEF SYSTEMS

MARKETING PERSONNEL

T.A. Collins, president
J.L. Cunningham, vp-western operations
J.P. Loser, vp-mktg
J.E. Martin, vp-eastern operations

ADVERTISING AGENCY

Ogilvy & Mather, Chicago—Paul Pass, mgmt super; Bob Carlton, acct super.

Top 25 outdoor advertisers

Rank	Advertiser	Expenditures 1979	Expenditures 1978
1	B.A.T. Industries	$30,872,800	$21,071,600
2	Philip Morris	26,814,500	24,472,800
3	R.J. Reynolds Industries	26,515,700	31,987,500
4	Loews Corp.	24,848,300	14,321,500
5	American Brands	10,287,000	9,683,800
6	Heublein	8,885,600	6,955,400
7	Seagram Co.Ltd.	8,030,300	5,644,500
8	Hiram Walker-Gooderham & Worts	6,015,800	4,572,500
9	Brown-Forman Distillers Corp.	4,794,100	3,524,600
10	National Distillers & Chemical Corp.	4,740,200	3,688,200
11	General Motors Corp.	4,447,800	5,448,100
12	Liggett Group	4,157,500	9,120,900
13	Rapid-American Corp.	3,156,500	3,059,700
14	Coca-Cola Co.	3,098,700	2,578,000
15	Norton Simon	2,436,200	2,285,000
16	McDonald's Corp.	2,383,100	1,949,100
17	Northwest Industries	2,155,500	2,288,300
18	Ford Motor Co.	2,126,500	1,308,100
19	Schering-Plough Corp.	1,903,600	1,683,000
20	Eastern Air Lines	1,823,900	1,386,500
21	Bacardi Corp.	1,687,500	1,114,600
22	Anheuser-Busch	1,660,000	1,666,400
23	Toyota Motor Co. Ltd.	1,548,800	1,195,900
24	Chrysler Corp.	1,491,300	239,300
25	Miles Laboratories	1,443,600	1,311,900

Source: Leading National Advertisers, in cooperation with the Institute of Outdoor Advertisers, Outdoor Advertising Assn. of America.

General Mills

	1979	1978
Sales	$4,170,278,000†	$3,745,000,000
Earnings	170,000,000†	147,000,000
Advertising*	190,746,500	170,000,000

†Fiscal year ended May 30, 1980
***AA estimate**

General Mills, Minneapolis, the 16th largest national advertiser, boosted ad spending 12.2% in 1979 and showed strong increases in sales and earnings over 1978. Ad spending was $190,746,500, for 1979, compared with expenditures of $170,000,000 in 1978.

Sales in fiscal 1980, ended May 30, 1980, increased 11.3% to $4,170,278,000 and earnings were up 15.6% to $170,000,000.

Honey Nut Cheerios, an oat cereal coated with brown sugar, honey and ground nuts introduced in mid-1979, continued to be the star performer in the Big G division stable. It has grabbed a little more than 2% of the cereal market in its debut year.

The 1979 ad spending for Honey Nut Cheerios was $7,425,400—second only to the ad spending on regular Cheerios, which hit $9,882,800. Despite many new entries into the adult/family cereal category in 1979, Cheerios retained its position as the No. 1 cereal with a leading market share. Golden Grahams, a presweetened cereal introduced in 1978, did well in 1979 and received a large chunk of the ad budget with $6,331,000 in spending.

▪ General Mills has had two other major cereal introductions in recent months. Body Buddies, a honey/brown sugar-sweetened children's cereal touted as a high nutrition product, rolled national late in 1979 with nearly $4,000,000 in ad support.

MARKETING PROFILES

In April of this year, Crispy Wheats 'n Raisins rolled national after a long period of virtually test marketing. Although the brown sugar and honey-coated wheat cereal is similar to raisin bran entries, the ad campaign revolves around the theme: "Hey, this isn't raisin bran!"

Like other cereal marketers, General Mills has respondedo the public's adverse reaction to white sugar-sweetened cereals with these products, using alternative sweeteners like brown sugar and honey.

▪ Competition has increased in the dessert mix arena. General Mills has responded with larger ad budgets for its Betty Crocker line and a company official says its "Bake Someone Happy" theme, created in 1979 by Needham, Harper & Steers, has helped strengthen the franchise.

The latest Betty Crocker entry is a chewy candy-like snack made with natural fruit, called Fruit Roll-ups. Side Quicks, a package noodle side dish with various sauces, rolled national last September.

Frozen foods remained a strong-performing segment for General Mills. Gorton frozen seafood set sales and earnings records and increased its share of the frozen seafood market to about 20%. Saluto Foods Corp. increased sales of its frozen pizzas, although the growth rate was slower than the previous year because of a slowdown in the frozen pizza category.

Saluto's line of Italian frozen entrees recently moved into more markets as the line is gradually expanded into national distribution. The entrees, including ravioli, lasagna, manicotti and breaded veal parmigiana, represent General Mills' first entry into the $710,000,000 frozen entree market.

▪ Only eight months after its introduction into the West Coast market, General Mills' Yoplait yogurt grabbed market leadership from Knudsen. General Mills has backed up its marketing push with extensive product giveaways, sponsorship of cycling races and a Yoplait hot air balloon. Originally introduced in the Midwest, Yoplait had a shaky start and General Mills backed off with its marketing and advertising. After the West Coast successes, however, the company feels prepared to move its Yoplait attack to the East Coast.

Red Lobster Inns paced the growth of the restaurant division. Sales at the specialty seafood chain grew 10.4% in 1979, nine units were added and 34 were remodeled. York Steak Houses fared well and General Mills acquired its first full-service Mexican restaurant, Casa Galardo, in St. Louis.

The company plans to add about 20 to 25 units for both Red Lobster and York during 1980, and three Casa Gallardo restaurants. General Mills is looking to strong performance in the restaurant division and consumer foods to meet its plan for $6.6 billion in sales by 1985—double its current level.

The creative products division was again paced by Monopoly board game sales. The phenomenal success of the movie "Star Wars" and its sequel, "The Empire Strikes Back," helped Kenner toy sales skyrocket. Kenner has rights to "Star Wars" toys and capitalized on the movie series' popularity as 23 of its 85 new toys introduced in 1980 were along the "Star Wars" theme.

The diversified company's only major disappointment in 1979 was the performance of segments of the fashion line. Ship 'n Shore, a womens' shirt and blouse business acquired in 1978, had production problems and late shipments that caused sales to plunge. General Mills brought in a new president and vp-marketing to try to reverse the downturn.

Monet costume jewelry increased its sales and David Crystal, which markets the highly successful Izod (alligator label) line, performed well. General Mills discontinued its unsuccessful Kimberly women's knit sportswear line, taking about $6,400,000 in losses.

ADVERTISING EXPENDITURES

	1979	1978
Newspapers	**$ 4,402,300**	**$3,757,100**
Magazines	**14,985,800**	**16,191,600**
Spot tv	**71,324,400**	**51,049,900**
Network tv	**85,648,200**	**84,283,200**
Spot radio	**2,720,500**	**4,824,000**
Network radio	**504,600**	**—**
Outdoor	**60,700**	**38,500**
Total measured	**179,646,500**	**160,164,300**
Unmeasured	**11,100,000**	**9,835,700**
Total	**190,746,500**	**170,000,000**

MARKETING PERSONNEL

F. Caleb Blodgett, exec vp-consumer foods
Walter R. Barry, group vp-consumer foods
James G. Fifield, group vp-consumer foods
Arthur R. Schulze, group vp-consumer foods
Preston Townley, group vp-consumer foods
Donald F. Swanson, senior exec vp, nonfoods
Jane Evans, group vp-apparel
Robert W. Hatch, group vp-specialty retailing
Joe R. Lee, group vp-restaurant operations
Bernard Loomis, group vp-creative prods
Fletcher C. Waller Jr., vp-director mktg services
Robert J. Blake, director-adv services
David M. Levi, director-promo services

ADVERTISING AGENCIES

Campbell-Mithun, Minneapolis—Big G div (Buc*Wheats, Golden Grahams, Breakfast Squares, Nature Valley Granola Cereal and Bars, Crispy Wheats 'n Raisins); Golden Valley div (potato prods).

Dancer Fitzgerald Sample, New York—Big G div (adult and children's cereals); Sperry div (Gold Medal Flour); Kitchen Harvest lettuce, Yoplait yogurt; Saluto frozen foods; Parker Bros.

Dancer Fitzgerald Sample, San Francisco—Sperry div (LaPina, Wheathearts, Betty Crocker pancake mix).

Needham, Harper & Steers, Chicago—Betty Crocker div (dessert prods); Golden Valley div (Hamburger Helper, Tuna Helper, Bisquick, Mug-O-Lunch, new prods); Northstar div (Bac*Os).

D'Arcy, MacManus & Masius, St. Louis—Red Lobster Inns, Donruss Co.

Daniel & Charles; New York—Gorton's Corp. (consumer business).

Wattenmaker Advertising, Cleveland—Gorton's Corp. (food service business).

McKinney, Silver & Rockett, Raleigh, N.C.—Goodmark Inc., Tom's Foods.

Humphrey, Browning & MacDougall, Boston—Parker Bros.

Sive & Associates, Cincinnati—Kenner prods.

W. B. Doner & Co., Southfield, Mich.—Fundimensions.

Grey Advertising, New York—Kenner prods ("Star Wars" line), David Crystal.

Martin Landy, Arlow, N.Y.—Ship 'n Shore.

Altman, Stoller, Weiss, N.Y.—Monet Jewelers.

Chester Gore, New York—Foot Joy (golf, street and casual).

Leonard, Monahan & Saabye, Providence, R.I.—Foot Joy (running, tennis and racquetball).

Levenstein/Gaines, New York—Pennsylvania House.

Lloyd Mansfield, Buffalo—Kittinger.

Foote, Cone & Belding/Honig, San Francisco—Wallpapers To Go, Eddie Bauer.

Bozell & Jacobs, Minneapolis—General Mills grocery trade and military sales.

Grey-North, Chicago—LeeWards Creative Crafts.

General Motors Corp.

	1979	1978
Sales	**$66,311,200,000**	**$63,221,100,000**
Earnings	**2,892,700,000**	**3,508,000,000**
Advertising	**323,395,900**	**266,346,000**

General Motors Corp., Detroit, the fourth largest national advertiser, increased 1979 advertising expenditures 21% to $323,395,900 from $266,346,000 in a year replete with a good news-bad news syndrome.

Worldwide dollar sales were a record $66.3 billion, up from $63.2 billion in 1978 but unit sales dropped 5% to 8,993,000. Profits fell to $2.9 billion from $3.5 billion. Both the unit sales and earnings reductions were blamed on the U.S. market slump. Smaller, lower margin cars also contributed to the profit decline.

U.S. vehicle sales slipped 11% to 6,300,000 vehicles from the record of more than 7,000,000 the year before. Cars fell 9% to 4,900,000 but truck sales of 1,400,000 were 18% below the year ago. The few bright spots were the X-bodies—Chevrolet Citation, Buick Skylark, Oldsmobile Omega and Pontiac Phoenix—the restyled Olds Cutlass and Buick Century four-door sedans and the Chevrolet Chevette which again was the top selling small car in the U.S.

The Diesel-Powered Cadillacs
Cadillac

Cadillac weathered the rush to small cars well in 1979, losing only 10% in sales. Ad spending was increased from $4,208,700 in 1978 to $18,035,200 in 1979.

"The year was one of very wide contrasts," chairman Thomas A. Murphy told his last annual meeting as head of GM. GM sold more vehicles in 1979 than in all but two of its 71 years; net income was exceeded by only three earlier years and GM increased its penetration to 45% of the U.S. market.

▪ But the profit margin was down to 4.4% of sales, more than a point below 1978. More importantly, chairman Murphy said, "was the almost overnight reversal that took place last spring [1979] in the pattern of car and truck sales. Until then, during the first quarter of 1979, industry sales of cars and trucks had been at an annual rate of 16,000,000 units—very close to a record.

"Customer demand for mid-size and larger cars, for light-duty trucks and vans was exceptionaly strong. We were right on top of the market. In contrast, smaller cars were a drag on the market in early 1979. Our dealers had difficulty in moving them. The heaviest impact fell on the Japanese and other foreign-based manufacturers. Their sales penetration in the last two quarters of 1978 had fallen from 20% to 16% and their inventories were building up. This was part of a very significant trend.

▪ "Then came the thunderbolt. Spot shortages of gasoline suddenly developed. It was a freak situation. It also proved to be a temporary one," Mr. Murphy said. But it caused "a panic in the minds of many American motorists. The market did a dramatic reversal.

"The larger cars and light-duty trucks and vans so much in demand just weeks before suddenly went begging. And smaller cars which had been so difficult to move were suddenly being snapped up. Many customers decided to wait. They seem to be still waiting," he said.

The good news was that GM's market penetration increased after the spring crisis. "The brunt of the surge in demand for small cars, and especially Japanese cars, fell not on GM but on our two largest domestic competitors [Ford and Chrysler]," Mr. Murphy said.

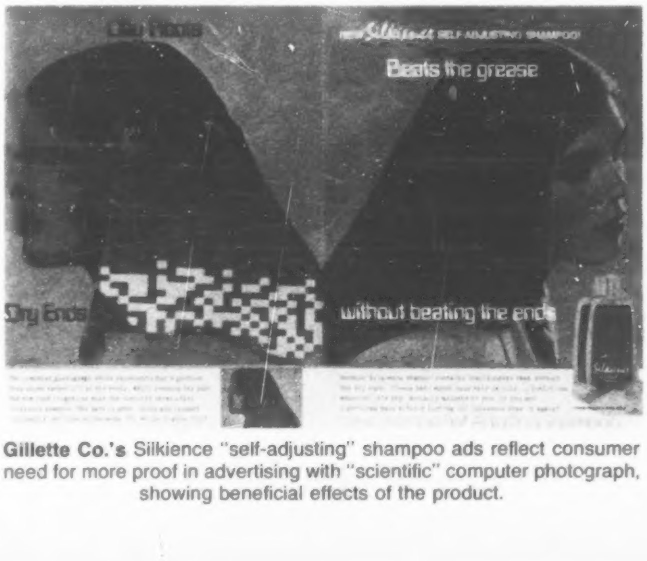
▪ GM will pour some $40 billion into future product programs through 1984. It will mean front-wheel-drive vehicle capacity will rise from 1,300,000 to more than 6,000,000 by 1983. For model 1981, GM will have a revamped line of intermediate cars with up to two more mpg and in the spring of 1981 will bring out a "sporty, economical subcompact" that will be smaller than the Chevrolet Monza and Pontiac Sunbird it replaces but larger on the inside. Fuel economy will be up 27%, Mr. Murphy said. The next year will see a second round of downsizing for the big GM models. An electric vehicle is to be marketed by the mid 1980s.

As usual, Chevrolet spent the most on advertising and sold the most. Chevy's ad expenditures rose to $148,363,600 from $116,051,100 with the big increase in tv. Outlays for tv advertising rose to $68,687,100 from $52,785,900. Radio showed a jump to $21,508,500 from $16,651,000. Magazines rose to $27,562,500 from $22,725,600 and newspapers equaled magazines with $27,179,700, up from $18,131,600. Farm publications got $516,500, down from $1,316,400.

The ad spending, however, failed to prevent an 8% drop in unit car sales led by the full-size Chevrolet which was off nearly 28%. Monte Carlo sales dropped 25%. Citation, with some old Novas, racked up a 24% increase while Chevette jumped 52% to 375,724 units. The big Chevy still led the models with sales of 449,001. Monza, the other subcompact actually showed a 10% drop.

▪ Buick, Oldsmobile and Pontiac were close together in their ad outlays. Buick was the highest with $48,350,100, up from $44,252,400 with newspapers and magazines the biggest gainers. Newspapers went to $12,856,200 from $8,593,300 and magazines rose to $9,149,100 from $7,920,900. Tv spending went down to $23,843,800 from $25,166,800 with network tv staying about even but spot declining.

Buick sales slipped 9% with the losses in the luxury Electra (down 27.5%) and LeSabre full-size (off 32%.) Riviera gained nearly 100% while the mid-size Century lost 3.6%. Skylark, the X-body, posted a 17% gain and the discontinued Opel dropped 28%.



Gillette Co.'s Silkience "self-adjusting" shampoo ads reflect consumer need for more proof in advertising with "scientific" computer photograph, showing beneficial effects of the product.

Pontiac spent $46,364,900, up sharply from $33,544,500 the year before. Network tv jumped to $16,500,300 from $12,603,500 and magazines and newspapers each rose to more than $10,000,000 from around $6,000,000. Radio showed the largest share drop.

Pontiac's sales were down 12% with the biggest drop in its erstwhile star, the specialty Grand Prix. It fell nearly 22% with the big Pontiac close at an 18% loss. Only the X-body Phoenix showed a gain, up 38%. Its subcompact Sunbird was off just 2.9%.

Oldmobile upped its ad expenditures to $42,713,500 from $34,090,400 with tv gaining less than $2,000,000. Newspapers rose to $13,205,500 from $8,826,800 and magazines were up to $10,752,300 from $8,919,600.

▪ Olds sales dropped 5.6% with the largest loss sustained by the luxury 98—down 25%. The regular 88 lost 18% but the front-wheel-drive Toronado rose 67%. The bread-and-butter Cutlass lost only .4% of a point and led Oldsmobile sales with 518,160. That was good enough to top all GM models as well. The X-body Omega ran 16% ahead of the previous Omega.

Cadillac weathered the rush to small cars relatively well, losing 10% in sales but increasing ad outlays to $18,035,200 from $14,208,700. The major changes were spot tv up to $4,452,100 from $930,100 while network tv fell to $1,911,600 from $4,753,300. Magazines held steady while newspapers gained a bit. Network radio shot up to $1,406,500 from $260,200.

Seville and regular Cadillac were sales losers but Eldorado gained 35% in sales. Cadillac standard lost 17% and Seville was off nearly 19%.

Meeting government-mandated mpg standards—Corporate Average Fuel Economy (CAFE)—was still uppermost in the minds of GM execs in 1979. Just before the gas crunch hit, president E. M. (Pete) Estes was saying, "It's no secret that GM's strength traditionally has been in larger cars—the mid-size models and up. With a few notable exceptions—the Chevette being the brightest—our small cars have not been as successful as we'd like. Given the government's increasingly difficult CAFE requirements we have no real choice except to gain widespread market approval for our smaller, high-mileage models. We can't settle for the new Xs being anything less than a smashing success."

▪ Mr. Estes needn't have worried. The X-bodies—front-wheel-drive replacement for older, bigger compacts—were a huge success. They were introduced just as the gas crunch and the Iranian revolution sent car buyers in search of small, fuel-efficient vehicles. GM aimed the cars at a "new generation" of car buyers with little brand loyalty and an inclination to imports.

GM corporate opened its ad umbrella for the Xs under the banner, "Designed and engineered for a changing world." Sunday papers carried a six-page section. Magazines were used extensively.

In all, GM poured $115,000,000 into the X-body launch—the biggest push ever for a new line. Only Cadillac didn't have an X-body, which came in hatchback versions for Chevy and Pontiac and notchback, formal roofs for Olds and Buick.

If there were lines at gas stations, the lines and waits were longer at GM salesrooms for the X-bodies. The backlogs reached six months or more in many cases.

"The first Chevrolet of the '80s," touted Chevrolet for its new Citation. Tv spots showed a bisected Citation towing a boat. The car had no rear wheels to emphasize its fwd. Commercials showed how

100 Leaders addenda

The following are additions and corrections to the 100 Leading Advertisers issue, Sept. 11:

Through printer error, advertising and sales figures for these companies on the Advertising as a Per Cent of Sales table on Page 8 appeared incorrectly. The correct figures are: Ford Motor Co., sales—$43,513,700,000; Volkswagen of America, advertising—$55,000,000, sales—$17,150,000,000, advertising as per cent of sales—0.3%; Mars Inc., sales—$887,600,000.

Asian Banking
PAYOFF SPACE
MARKET/MEDIA ASSOCIATES
Midwest Reps: 312/251-2541

American Express Co.: Ron Friedman is vp-service establishment industry marketing and advertising; his name was not included.

Kraft Inc.: Ward Archer & Associates, Memphis, is the agency for Kraft Industrial Foods, not Merrill Dremer Inc.

PepsiCo Inc.: Willard C. Korn is senior vp, Frito-Lay, the name was incorrectly spelled; W. Bradford Todd is director, marketing services for Frito-Lay.

Pillsbury Co.: Harry Clark is account director at J. Walter Thompson Co. on Burger King; Ron Sherman is no longer management director on the account.

Sears, Roebuck & Co.: Chiat/Day, Los Angeles, is the agency for Allstate Savings & Loan Assn., not J. Walter Thompson Co.

UAL Inc.: The 1979 drop in sales is 124%, not 76% as reported.

Wm. Wrigley Jr. Co.: Christopher E. Sundstrom is marketing director, N. Hoegh-Guldberg is marketing manager.

Philip Morris Inc.: Correct marketing personnel for Miller Brewing are: William K. Howell, president; Lauren S. Williams, exec vp; Thomas B. Shropshire, senior vp; William A. Saupe, vp-planning and development; William C. Catlin, director of brand management; Jon Garner and Robert Toledo, group product directors; Doug Rogers, brand manager, Miller High Life; William Barrett, brand manager, Miller Lite; Jerome Schmutte, brand manager, Lowenbrau; Leonard Goldstein, vp-sales.

Transamerica Corp.: Marketing and personnel were inadvertently left out:

TRANSAMERICA CORP.

MARKETING PERSONNEL

Jane W. Hall, vp-corporate relations
William H. McClave, director of corporate relations

ADVERTISING AGENCY

Chiat/Day/Hoefer, Los Angeles—corporate and financial advertising—Richard M. Topkins, acct mgt super; Donna Larrabee, acct super.

UNITED ARTISTS CORP.

MARKETING PERSONNEL

Gene Goodman, senior vp-domestic sales
Hy Smith, vp-worldwide adv & publicity
Ed Seigenfeld, vp-foreign adv & publicity
Fred Hift, vp-foreign adv & publicity
Leslie Littlehale, director of adv
Terry Steiner, media director

ADVERTISING AGENCY

Diener/Hauser/Bates, New York—domestic product group—David Rosenfelt, acct super; Barbara Pisapia, acct exec; Debbie Greene, asst acct exec.

BUDGET RENT A CAR

MARKETING PERSONNEL

Gerald Entman, senior vp-mktg
Meg Jacobson, vp-consumer mktg & adv
Beverly Nicksic, director of adv
Sandra Hughes, regional adv director
Karen Keller, local adv director

ADVERTISING AGENCIES

McCann-Erickson, Chicago—consumer & travel trade—Don Effler, mgmt super, Jack Trytten, acct super; Gunde Ositis, acct exec.

Robert Visschers & Associates, Chicago—local support materials—Robert Visschers, mgmt super.

TRANSAMERICA AIRLINES

MARKETING PERSONNEL

Jack O'Brien, senior vp-mktg
Steve Berger, vp-sales
George Paulos, vp-scheduled service
Richard Slakoff, director of corporate communications

ADVERTISING AGENCY

Chiat/Day/Hoefer, San Francisco—Sharron Cannarsa, acct exec.

OCCIDENTAL LIFE INSURANCE CO. OF CALIFORNIA

MARKETING PERSONNEL

David R. Carpenter, chief mktg officer
William B. Stannard Jr., exec vp-agencies
Robert W. Graf, second vp-adv & corporate communications
Scott G. Halversen, adv department

ADVERTISING AGENCY

Dailey & Associates, Los Angeles—Roger van Remmen, acct super; Mike Heiser, acct exec; Mike Ridel, associate creative director.

TRANSAMERICA FINANCIAL CORP.

MARKETING PERSONNEL

John Boyon, vp-mktg
Juho Arens, director of mktg
Michael Carney, director of communications

ADVERTISING AGENCY

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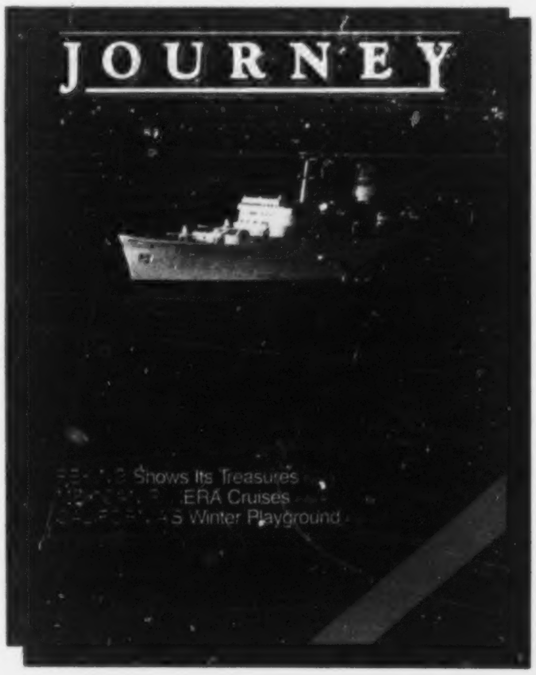

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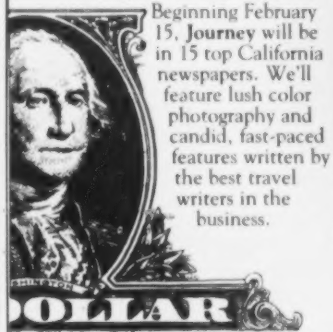

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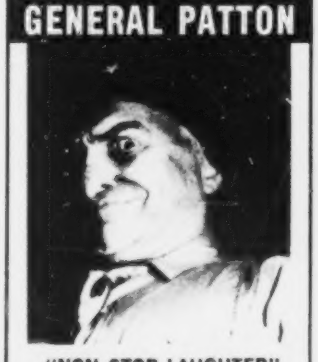

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Who's ahead with young men and women viewer

(in July Arbitrons for markets 51 to 100)

Station	Women 18-49 TSA share	Men 18-49 TSA share	Sign-on Sign-off ADI home share	Late Fringe ADI home share
SAN ANTONIO (51)				
KSAT-TV (A)	45	44	35	53
KENS-TV (C)	27	32	32	19
KMOL-TV (N)	22	22	23	18
KWEX-TV	6	2	5	3
FLINT/SAGINAW/BAY CITY (52)				
WJRT-TV (A)	44	42	29	21
WNEM-TV (N)	38	42	34	41
WEYI-TV (C)	18	15	13	9
WJIM-TV (C) (Lansing)	—	—	4	5
GREENSBORO/WINSTON SALEM/HIGH POINT (53)				
WFMY-TV (C)	39	39	36	30
WGHP-TV (A)	35	31	25	26
WXII-TV (N)	26	31	23	29
WBTV (C) (Charlotte)	—	—	4	4
WICHITA/HUTCHINSON (54)				
KARD-TV (N)	38	39	27	42
KAKE-TV (A)	34	35	28	23
KTVH (C)	28	26	26	16
LITTLE ROCK (55)				
KATV (A)	43	39	35	47
KARK-TV (N)	31	35	31	29
KTHV (C)	27	26	23	17
TOLEDO (56)				
WTOL-TV (C)	38	37	31	28
WTVG (N)	31	33	29	39
WKBD (Detroit)	—	—	5	6
TULSA (57)				
KTUL-TV (A)	50	43	33	39
KOTV (C)	27	26	26	18
KTEW (N)	23	26	23	24
SHREVEPORT/TEXARKANA (58)				
KTBS-TV (A)	43	38	30	27
KSLA-TV (C)	36	38	32	35
KTAL-TV (N)	21	25	17	21
KLTV (A/N) (Tyler)	—	—	3	—
KNOXVILLE (59)				
WBIR-TV (C)	50	46	36	29
WATE-TV (A)	36	42	28	30
WTVK (N)	14	13	15	19
MOBILE/PENSACOLA (60)				
WKRG-TV (C)	41	41	34	28
WEAR-TV (A)	34	32	29	25
WALA-TV (N)	25	26	21	26
WLOX-TV (A) (Biloxi/Gulfport/-Pascagoula)	—	—	4	3
WTBS (Atlanta)	—	—	3	5
ROANOKE-LYNCHBURG (61)				
WDBJ-TV (C)	45	43	37	33
WSLS-TV (N)	27	30	26	35
WSET-TV (A)	27	26	18	10
DES MOINES (62)				
WOI-TV (A)	39	30	24	23
KCCI-TV (C)	35	35	33	29
WHO-TV (N)	26	35	26	35
SYRACUSE (63)				
WTVH (C)	37	41	31	34
WSTM-TV (N)	31	32	29	33
WIXT (A)	31	27	22	13
RICHMOND (64)				
WTVR-TV (C)	39	32	38	42
WXEX-TV (A)	31	32	29	20
WWBT (N)	31	36	26	31
OMAHA (65)				
KETV (A)	41	35	31	29
WOWT (C)	31	31	32	26
KMTV (N)	28	35	25	36
KOLN-TV (C) (Lincoln)	—	—	4	3
JACKSONVILLE (66)				
WJXT (C)	46	41	43	41
WTLV (A)	29	33	25	21
WJKS-TV (N)	23	26	17	22
WTBS (Atlanta)	—	—	3	4
GREEN BAY (67)				
WFRV-TV (N)	35	35	31	29
WBAY-TV (C)	32	35	30	46
WLUK-TV (A)	32	30	27	18
WLUC-TV (C/A/N) (Marquette)	—	—	3	—
ROCHESTER (68)				
WOKR (A)	37	33	31	25
WHEC-TV (C)	26	24	25	22
WROC-TV (N)	22	19	18	24
WUHF	15	24	15	22

(Continued on Page 84)

These tables show the tv stations in markets 51 to 100 ranked in terms of shares for women aged 18 through 49 as reported in the Arbitron July sweeps covering July 9 through Aug. 5. The last three columns cover men aged 18 to 49, and household shares for the full telecast day and late fringe.

The people shares are based on the total station area; the last two columns on homes in Arbitron's area of dominant influence (ADI). These figures were compiled for ADVERTISING AGE from the Arbitron books by a veteran tv researcher.

Initials in parentheses indicate network affiliation (ABC, CBS, NBC); stations without initials are independents. Late fringe is 11:30 p.m. to 1 a.m. Monday-Friday in eastern and Pacific time zones. In Central and Mountain zones, each is one hour earlier.

These lists include local network affiliates and share runners-up in each market whether local indies or distant stations, affiliated or independent. Not all stations are listed. A blank under any column indicates not reported. Stations appear if they drew a minimum 3 sign-on to sign-off household share.

Network fare dominates in tv markets 51 to 100

By MAURINE CHRISTOPHER

NEW YORK—Middle-size American markets continue to be very much network tv turf, with ABC holding an edge over CBS in a spirited race, according to the latest ADVERTISING AGE analysis of Arbitron local rating sweeps.

This compilation of markets 51 through 100 concentrated on women 18 to 49 and their male counterparts as measured in July rating reports covering households and people viewing for July 9 through Aug. 5. Stations in each market were ranked on the basis of shares among young women in the total survey area. The data were compiled by a veteran broadcast researcher.

By this yardstick, ABC affiliates edged out the competing networks in 22 of the markets. CBS outlets won in 17 markets, the largest being No. 53, Greensboro-Winston Salem-High Point, where WFMY-TV scored a 39 to 35 for WGHP-TV, the ABC voice in the market.

WFMY-TV swept all four columns, scoring a 39 share with men 18 to 49, a 36 homes share in sign-on to sign-off and a 30 homes share in late fringe. Unlike the demographic shares, the households numbers reflect viewing in Arbitron's area of dominant influence only, rather than total survey area.

NBC stations won in 11 markets in terms of women (18 to 49) viewers. Its territory included market No. 54, Wichita-Hutchinson, where KARD-TV bested KAKE-TV (ABC) 38 to 34. The NBC outlet also won by a landslide in late fringe, scoring a 42.

NBC also was looking good in Columbia, S.C., where WIS-TV dominated all four columns in a walkaway. With young women shares it was 38 for WIS-TV to 19 for runner-up WLTX-TV (CBS). WIS-TV is in the fortunate position of being a vhf station up against two less powerful uhfs.

One of ABC's powerhouses was KSAT-TV in the No. 51 ADI, San Antonio. Its scores: A 45 share

(Continued on Page 86)

Top 10 stations in top 100 markets in sign-on to sign-off home shares

Rank	Station	Arbitron ADI Household Share
1.	**WBRC-TV** (A) Birmingham (49)	51
2.	**KYTV** (N) Springfield, Mo. (83)	46
2.	**KELO-TV** (N) Sioux Falls/Mitchell (95)	46
4.	**WIS-TV** (N) Columbia, S.C. (97)	44
5.	**WJXT** (C) Jacksonville (66)	43
5.	**KOLN-TV** (C) Lincoln/Hastings/Kearney (85)	43
7.	**WWL-TV** (C) New Orleans (34)	39
7.	**WCYB-TV** (N) Bristol/Kingsport/Johnson City (84)	39
9.	**WHIO-TV** (C) Dayton (44)	38
9.	**WTVR-TV** (C) Richmond (64)	38
9.	**WCAX-TV** (C) Burlington/Plattsburgh (98)	38
9.	**KWTX-TV** (A/C) Waco/Temple (100)	38

Network affiliation and Arbitron market rank in parentheses

Who's ahead with young men and women viewers

(in July Arbitrons for markets 51 to 100)

(Continued from Page 82)

Station	Women 18-49	Men 18-49	Sign-on Sign-off	Late Fringe
	TSA share		ADI home share	
FRESNO (69)				
KJEO (A)	30	27	22	22
KFSN-TV (C)	24	23	24	29
KMJ-TV (N)	24	27	21	34
KMPH-TV	18	23	16	—
DAVENPORT/ROCK ISLAND/MOLINE (70)				
WQAD-TV (A)	36	39	25	22
WOC-TV (N)	32	39	28	40
WHBF-TV (C)	32	22	26	17
CHATTANOOGA (71)				
WTVC (A)	41	36	27	26
WDEF-TV (C)	31	32	29	25
WRCB-TV (N)	28	32	27	26
SPRINGFIELD/DECATUR/CHAMPAIGN (72)				
WCIA (C)	37	36	32	26
WAND (A)	33	27	25	19
WICS-TV (N)	27	32	23	33
SPOKANE (73)				
KXLY-TV (A)	40	33	29	24
KHQ-TV (N)	32	28	28	37
KREM-TV (C)	28	39	26	25
PORTLAND/POLAND SPRING (74)				
WCSH-TV (N)	30	33	25	30
WGAN-TV (C)	30	28	26	28
WMTW-TV (A)	26	28	19	13
ALBUQUERQUE (75)				
KOAT-TV (A)	45	40	34	43
KOB-TV (N)	27	30	25	19
KGGM-TV (C)	21	25	23	20
KLKK-TV	3	5	4	5
PADUCAH/CAPE GIRARDEAU/HARRISBURG (76)				
WPSD-TV (N)	35	33	36	44
KFVS-TV (C)	29	33	35	26
WSIL-TV (A)	18	17	12	9
WEST PALM BEACH (77)				
WPTV (N)	28	21	29	24
WPEC (A)	28	21	20	22
WTVX (C) (Fort Pierce-Vero Beach)	11	7	7	10
JOHNSTOWN/ALTOONA (78)				
WJAC-TV (N)	33	30	31	37
WTAJ-TV (C)	27	30	31	28
WOPC (A)	(Channel 38—no audience shown)			
CEDAR RAPIDS/WATERLOO (79)				
KCRG-TV (A)	29	30	28	19
KWWL-TV (N)	29	40	34	53
WMT-TV (C)	21	30	27	20
JACKSON, MISS. (80)				
WLBT (N)	35	33	35	47
WJTV (C)	29	25	29	20
WAPT-TV (A)	18	17	14	10
YOUNGSTOWN (81)				
WKBN-TV (C)	31	27	30	33
WYTV (A)	25	18	21	15
WFMJ-TV (N)	19	18	20	24
SOUTH BEND/ELKHART (82)				
WSBT-TV (C)	33	30	30	28
WNDU-TV (N)	33	40	28	39
WSJV-TV (A)	27	20	20	15
SPRINGFIELD, MO. (83)				
KYTV (N)	50	42	46	53
KOLR-TV (C)	33	25	30	25
KMTC (A)	17	17	11	10
BRISTOL/KINGSPORT/JOHNSON CITY (84)				
WCYB-TV (N)	39	42	39	33
WJHL-TV (C)	33	25	31	37
WKPT-TV (A)	11	8	8	—
LINCOLN/HASTINGS/KEARNEY (85)				
KOLN-TV (C)	36	33	43	31
KHGI-TV (A)	21	22	16	16
KHAS-TV (N)	7	11	11	13
SPRINGFIELD, MASS. (86)				
WGGB-TV (A)	36	33	30	25
WWLP (N)	21	22	25	33
PEORIA (87)				
WRAU-TV (A)	39	27	26	16
WEEK-TV (C)	39	27	27	34
WMBD-TV (C)	21	18	23	30
EVANSVILLE (88)				
WTVW (A)	41	31	33	22
WFIE-TV (N)	24	31	25	40
WEHT-TV (C)	24	15	22	17
LEXINGTON (89)				
WKYT-TV (C)	33	27	34	33
WLEX-TV (N)	27	27	31	32
WTVQ-TV (A)	27	18	19	17
TUCSON (90)				
KGUN-TV (A)	35	31	28	22
KVOA-TV (N)	24	23	26	33
KOLD-TV (C)	18	15	23	16
KZAZ-TV	12	15	11	14
LANSING (91)				
WJIM-TV (C)	33	23	31	25
WILX-TV (N)	20	23	23	31
BATON ROUGE (92)				
WBRZ (A)	35	43	37	50
WAFB-TV (C)	30	29	33	27
WRBT (N)	20	21	18	17
FARGO (93)				
WDAY-TV (N)	31	30	37	45
KXJB (C) (Valley City)	31	30	27	28
KTHI-TV (A)	23	20	21	15
FORT WAYNE (94)				
WPTA (A)	36	27	29	35
WANE-TV (C)	21	18	24	14
WKJG-TV (N)	21	18	19	27
WFFT-TV	14	18	15	9
SIOUX FALLS/MITCHELL (95)				
KELO-TV (C)	40	40	46	32
KSFY-TV (N)	27	30	27	44
KXON-TV (A)	13	10	12	9
HUNTSVILLE/DECATUR/FLORENCE(96)				
WAAY-TV (A)	33	31	28	27
WHNT-TV (C)	28	23	32	22
WAFF-TV (N)	17	15	16	25
WOWL-TV (N)	6	—	4	5
COLUMBIA, S.C. (97)				
WIS-TV (N)	38	36	44	41
WLTX-TV (C)	19	18	17	17
WOLO-TV (A)	13	9	13	11
BURLINGTON/PLATTSBURGH (98)				
WCAX-TV (C)	38	36	38	39
WPTZ (N)	23	27	22	24
WEZF-TV (A)	15	9	10	11
AUSTIN, TEX. (99)				
KTBC-TV (C)	33	27	34	25
KVUE-TV (A)	33	27	24	19
KTVV-TV (N)	20	27	21	29
WACO/TEMPLE (100)				
KWTX-TV (A/C)	35	36	38	29
KCEN-TV (N/N)	25	21	25	37

These tables show the tv stations in markets 51 to 100 ranked in terms of shares for women aged 18 through 49 as reported in the Arbitron July sweeps covering July 9 through Aug. 5. The last three columns cover men aged 18 to 49, and household shares for the full telecast day and late fringe.

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These lists include local network affiliates and share runners-up in each market whether local indies or distant stations, affiliated or independent. Not all stations are listed. A blank under any column indicates not reported. Stations appear if they drew a minimum 3 sign-on to sign-off household share.

videotech/ BY MAURINE CHRISTOPHER

Can't go home again—at least to see cable

Television in my native East Tennessee is a far cry from what it is in channel-rich New York.

My grandmother's farmhouse near Russellville sits in a dip in the valley and picks up only WATE-TV (ABC) and WBIR-TV (CBS) from Knoxville, about 50 miles south. The third choice is public station WSJK-TV from Sneedville.

No one seems to mind very much. This long has been a household more likely to gladden the hearts of publishers than telecasters. For news, my father and aunt depend mostly on the *Knoxville Journal* and the *Morristown Citizen-Tribune*. Before my grandmother died there also was a Rogersville weekly to remind her of the days when she was a bride on Clinch Mountain in Hawkins County. Aunt Mary reads fiction mainly.

- For some time, the *Knoxville News-Sentinel* has been missing since it is no longer available by carrier. (My brother and I delivered that afternoon paper when we were children.) "What do I need it a day late for?" my father replied when I asked, "Why no *Sentinel*?"

Local radio choices abound. Ten miles away in Morristown, the county seat, and an expanding industrial center, there are three stations. Other nearby little towns have daytime outlets and the ones I flicked past all seemed to have plenty of commercials.

I had intended to catch up on cable, Tennessee style, when I visited my cousin, W.D., who is one of the few people I know in that part of the world who has been a catv subscriber for years.

No luck! He's moved out of range of Sammons Communications in Morristown. He's hoping the service will be extended since he particularly misses old movies and sports from WTBS, Atlanta, sports from ESPN and films from Home Box Office.

Both Jimmy Carter and Ronald Reagan were running saturation tv campaigns during my week in Tennessee, a state said to be too close to call in the presidential race. Still, in territory that's been Republican since Abraham Lincoln's time, the Democratic incumbent drew huge crowds during a brief stopover at Tri-Cities Airport. (But can all those school children vote?)

The newspapers looked extremely healthy, especially on food ad days. In the *Citizen-Tribune* the low-tar cigaret battle raged, with full pages for Salem Lights, Barclay and Vantage. This paper gave front-page play to two Jefferson County Piggly Wiggly stores that removed all tampons from their shelves after 16-year-old Angela French of Dandridge died of toxic shock syndrome.

- "We just decided until we got this thing cleared up we better pull all the brands off the shelves just to be on the safe side," Ronnie Sharp, manager of the stores, explained. He said Procter & Gamble had asked him to take Rely off the shelves, but he had received no instructions from other manufacturers.

The same day's paper carried the P&G ad asking consumers to stop using Rely and to return any supplies on hand to P&G for refunds.

* * *

Before leaving for Indian Summer and wild flower picking in the South, I had talked to Bill Rasmussen about why he was quitting ESPN.

Asked if Getty Oil forced him out at ESPN, the company he founded in mid-1978, Mr. Rasmussen said he resigned voluntarily to join his son, Scott, also an ESPN alumnus, in launching Enterprise Radio, which is due up on Westar III in January.

Chairman of ESPN at the time of his departure, the elder Mr. Rasmussen will assume the same title at Enterprise Radio, which, like ESPN, will concentrate on sports. He emphasized that he has signed a year's consultancy contract with Getty Oil, 85% owner of ESPN and a partner in the new Premiere pay tv network. He also retains his 14% interest in ESPN, which is now running a 24-hour a day schedule on Satcom I.

Already having been superseded at ESPN by Chet Simmons, president-chief executive officer, Mr. Rasmussen chose to move out to return to the center of action. "ESPN wasn't the first company I started and it won't be the last," he asserted. Preceding ESPN was Ad-Aid, an advertising packaging and distribution service, still going in Newark, but with which he is no longer associated.

For the future he indicated he looks forward to Enterprise Radio—satellites are perfect for radio, he thinks—and to working in pioneer projects for satellite-to-home program services.

- In California, Stuart Evey, the Getty Oil vp who watches over its cable interests, said the chairman's post would not be filled at ESPN. The network, he noted, set a new monthly record for cable homes added in September—900,000—and is now up to nearly 6,000,000 subscribers. #

Nets dominate 51 to 100

(Continued from Page 82)

with young women and just one below that with young men and a 35 household share throughout the broadcast day, climaxing with a 53 homes share in late fringe. CBS' KENS-TV was the runner-up in all four columns.

This study, like the earlier one on May sweeps, demonstrates again the scarcity of station choices in many markets below the 50 largest cities. Independents are not strong competitors in most of this territory.

In numerous cases these 51-100 markets reports are less complete than those for the major markets. Our researcher counted a minimum of 18 markets in which the number of reportable stations (by Arbitron's standards—call letters were in the books, but no figures) decreased from May to July. The most notable were West Palm Beach, where the number went from seven in May to three in July, and Lansing, where it dropped from eight to two.

An Arbitron spokeswoman explained that the data is not as comprehensive because July is not considered a "regular" sweeps month.

As a result, information on independents or other distant stations that scored at least a three sign-on to sign-off share in the ADI is more sketchy than it was in the May analysis (AA, Aug. 4). There are more blank columns in the tables this time around.

Independent superstation WTBS, Atlanta, turned up with a three sign-on to sign-off homes share in Mobile-Pensacola and in Jacksonville only.

The top 10 stations in the top 100 markets (the first 50 were in AA, Oct. 6) in sign-on to sign-off homes shares were paced by WBRC-TV (ABC), Birmingham, with a 51. Next at 46 were KYTV (NBC), Springfield, Mo., and KELO-TV (NBC), Sioux Falls.

The big three with women in markets 51 to 100, all scoring a 50 share with females 18-49: KTUL-TV (ABC), Tulsa; WBIR-TV (CBS), Knoxville, and KYTV (NBC), Springfield. WBIR-TV led with men in that age group at 46, followed by KSAT-TV, San Antonio, at 44.

Standouts in late fringe in order of their homes shares rank in markets 51-100 were: KSAT-TV, San Antonio, KWWL-TV, Cedar Rapids-Waterloo, and KYTV, Springfield, Mo., all clocking in with a 53. WBRZ, Baton Rouge, scored a 50 with stay-up-late homes. KATV, Little Rock, and WLBT, Jackson, Miss., both came in with a 47. #

Top 10 stations in Women 18-49 shares Arbitron markets 51-100

Rank		Share
1.	**KTUL-TV** (A) Tulsa (57)	50
1.	**WBIR-TV** (C) Knoxville (59)	50
1.	**KYTV-TV** (N) Springfield, Mo. (83)	50
4.	**WJXT** (C) Jacksonville (66)	46
5.	**KSAT-TV** (A) San Antonio (51)	45
5.	**WDBJ-TV** (C) Roanoke/Lynchburg (61)	45
5.	**KOAT-TV** (A) Albuquerque (75)	45
8.	**WJRT-TV** (A) Flint/Saginaw/Bay City (52)	44
9.	**KATV** (A) Little Rock (55)	43
9.	**KTBS-TV** (A) Shreveport/Texarkana (58)	43

Network affiliation and Arbitron market rank in parentheses

Top 10 stations Men 18-49 shares Arbitron markets 51-100

Rank		July TSA Share
1.	**WBIR-TV** (C) Knoxville (59)	46
2.	**KSAT-TV** (A) San Antonio (51)	44
3.	**KTUL-TV** (A) Tulsa (57)	43
3.	**WDBJ-TV** (C) Roanoke/Lynchburg (61)	43
3.	**WBRZ** (A) Baton Rouge (92)	43
6.	**WJRT-TV** (A) Flint/Saginaw/Bay City (52)	42
6.	**WNEM-TV** (N) Flint/Saginaw/Bay City (52)	42
6.	**WATE-TV** (A) Knoxville (59)	42
6.	**KYTV** (N) Springfield, Mo. (83)	42
6.	**WCYB-TV** (N) Bristol/Kingport/Johnson City (84)	42

Network affiliation and Arbitron market rank in parentheses. Shares are based on total survey area. Survey period: July 9 to Aug. 5.

vidbits

There has been talk that Warner Amex might be gearing up for a January start for a music channel, which would showcase pop music just as the Movie Channel does films. But some Warner Amex officials say the go-ahead has not yet been given so "we're not definitely sure it'll happen yet."

The commercial tv networks have long run Halloween-themed specials in the evenings leading up to that date. Now, Home Box Office has come up with a Halloween week schedule, with movies "Halloween," "Dracula" and "Magic," plus specials "Great American Ghost Tour" and "Monsters, Madmen & Machines."

* * *

General Foods' "Hot Fudge Show," now in its sixth year, has been barter-syndicated to 90 markets for 78% coverage of U.S. tv households, according to Lexington Broadcast Services and producer MG Films, both New York. Next year, 78 past episodes will be offered for weekday stripping.

* * *

Michael J. Dorfsman, vp-pr at Charnas Inc., Hartford, Conn., agency, adds the title of executive director of the Connecticut Cable Television Assn., which is a Charnas pr account. Mr. Dorfsman will administer CCTA's operations, edit its newsletter and deal with legislative and regulatory agencies.

* * *

The 1980 Miss World beauty pageant will be carried live by satellite on Home Box Office on Nov. 13 at 8:30 p.m. (EST). It previously had been shown in syndication, weeks after the event.

* * *

Thinking Christmas yet? Some broadcasters, syndicators and advertisers are. Besides Interstate Brands and CBS-TV, which slated a Charlie Brown yule special for December months ago, Carter-Grant Productions, via Program Syndication Services, New York, is clearing tv stations for its "24 Days of Christmas" featurettes. Tuesday Productions, San Diego, has revamped its 12-hour "A Christmas Album" package of yule-themed songs for radio stations.

* * *

Capital Cities Communications' "Family Specials" package has been barter-syndicated to 143 tv stations for the 1980-81 season, including 22 of the top 25 markets. Bristol-Myers and Nabisco are the national sponsors for the six half-hour dramas.

* * *

General Electric is the latest sponsor on Black Entertainment Television's catv package. Besides GE, with a 39-week buy, another recent BET client is the Carter/-Mondale Re-Election Committee, with a six-week buy.

* * *

Modern Satellite Network, New York, has added 500,000 subscribers and 60 market areas since the National Cable Television Assn. convention last May. Its 380 catv systems now offer a potential 2,750,000 subscribers.

* * *

"Roaring Doughnuts," a children's tv series from United Children's Television, New York, will be distributed in the home video market by Home Theatre/-VCI, Hollywood. Each program videocassette will be sold for $40, accompanied by a 16-page tie-in booklet.

Co-op ads up in broadcast

NEW YORK—Some cooperative advertisers increased their use of tv and radio in July and August, according to Pinpoint Marketing Inc., an audit and processing service here.

The company's analysis showed that the swimming pool and floor covering companies placed national co-op spending during the two summer months as follows: 41% in newspapers, 29% in tv, 12% in radio, 11% in flyers and catalogs, 2% in outdoor and 5% in "other."

Pinpoint president Arnold Ferber, who also heads the Ferber & Strauss agency, noted that co-op spending by the photographic industry during the same period showed the following breakdown: 63% in newspapers, 2% in tv, 7% in radio, 21% in flyers and catalogs, 0.03% in outdoor and 6.97% in "other."

Mr. Ferber said the higher ratio of tv and radio in the pool and floor covering industries can be traced to sales results, greater promotion efforts by tv and radio sales representatives and "better proof of performance documentation," which gives marketers "more confidence" in broadcast for their co-op programs. #

Bernard exits 'Adweek'

Lawrence Bernard, formerly editor-in-chief of *Adweek* and more recently consulting editor to the magazine group, has resigned from A/S/M Communications, New York, owner of the regional publications. Mr. Bernard, who earlier had served as senior editor at ADVERTISING AGE, said he will announce his plans in the near future.

Advertising pages in October consumer publications

Current and October '79 figures for U.S., Canadian and foreign publications reporting to Advertising Age

Women's

	Pages			
	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
†§Bride's Magazine	—	—	1,354.5	1,136.7
§Cosmopolitan	257.3	254.2	2,007.7	2,000.8
Essence	94.0	83.0	799.0	727.0
§Family Circle	110.3	138.5	1,224.1	1,379.9
▲Family Health	24.8	35.4	239.3	255.3
§Good Housekeeping	210.6	195.6	1,596.1	1,581.0
Ladies' Home Journal	129.1	151.5	1,017.9	1,077.6
Lady's Circle	8.4	12.8	87.6	94.1
McCall's	121.6	137.8	1,005.1	1,084.7
○McCall's Working Mother	81.7	61.0	357.8	156.9
†Modern Bride	—	—	1,084.1	1,079.8
Ms.	42.8	40.8	416.5	392.3
○New Woman	44.3	44.3	192.2	216.8
§Parents Magazine	79.4	58.3	612.4	509.3
Playgirl	48.7	46.9	542.5	451.1
Redbook	146.8	132.5	1,115.9	1,226.3
Self	77.0	62.9	605.1	428.2
Seventeen	103.5	111.2	1,148.0	1,182.6
Soap Opera Digest	7.3	9.5	116.3	107.0
'Teen Magazine	30.5	40.8	448.3	444.4
§True Story	56.5	64.5	497.4	571.7
§Woman's Day	128.5	120.4	1,267.0	1,264.6
The Workbasket	35.3	35.0	284.9	256.8
Working Woman	56.1	37.2	422.7	277.8
Total Group	1,894.5	1,874.1	18,442.4	17,902.7

General

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
▲A.D. Magazine	14.2	15.7	136.6	115.0
After Dark	26.0	—	235.1	—
Air Progress	19.0	24.3	206.8	239.1
American Forests	20.5	31.7	154.9	159.9
American Legion	35.7	36.9	270.3	269.9
Apartment Life	77.4	63.7	516.5	501.6
§▲Architectural Digest	157.7	134.4	1,067.5	883.7
§The Atlantic Monthly	34.3	32.4	315.2	308.0
○Audubon Magazine	—	—	155.6	170.2
§Blueboy	23.0	27.4	284.2	258.1
§Bon Appetit	112.3	101.5	674.4	588.8
Book Digest	29.5	41.0	278.8	386.1
Changing Times	34.0	—	226.0	—
Christian Herald	58.0	44.3	389.3	369.7
Christian Life	40.9	31.9	279.0	293.4
*Christianity Today	104.8	71.4	602.0	535.5
Coast	224.8	119.0	1,932.8	2,068.0
Complete Men's Group	22.3	27.0	237.8	240.9
Country Journal	73.7	64.0	493.4	482.3
Creative Computing	100.5	75.3	848.7	581.5
▲Cuisine Magazine	57.3	64.3	357.7	315.3
Ebony	93.8	93.7	893.8	892.0
Elks Magazine	30.4	31.0	216.7	245.7
§Esquire	38.7	38.2	363.3	304.0
50 Plus	33.7	33.0	343.7	265.3
Flying	44.9	50.7	538.3	531.8
○Games	—	—	115.5	98.0
§Gentlemen's Quarterly	143.0	137.0	916.0	717.0
Golf Digest	59.9	97.1	685.4	806.9
§Golf Magazine	47.4	52.7	654.5	682.2
Gourmet	72.4	91.3	531.2	547.0
§Harper's Magazine	22.0	47.0	296.8	338.9
○Hi-Fi/Stereo Buyer's Guide	22.0	36.8	110.2	143.8
*High Fidelity	63.1	91.4	553.8	684.5
Income Opportunities	54.1	55.2	451.9	431.7
Kiwanis Magazine	20.4	23.8	168.3	177.1
Let's Live	91.0	99.4	912.0	931.3
Life	50.5	66.7	498.7	486.1
Lion Magazine	5.7	22.9	46.3	181.2
Modern Photography	126.8	136.4	1,147.4	1,115.9
§Money	94.4	91.0	752.8	681.6
Moneysworth	21.7	21.6	182.5	208.6
Moody Monthly	58.0	74.5	434.7	491.4
▲Moose Magazine	25.0	25.0	232.0	220.0
○Mother Earth News	64.2	48.9	310.9	222.1
○Museum	—	—	83.0	—
National Geographic	33.4	32.6	299.4	302.5
National Jewish Monthly	25.9	25.3	236.1	212.2
Natural History	31.1	54.2	378.9	365.8
○Next	—	—	99.0	—
Omni	81.1	74.2	491.6	352.1
§Oui Magazine	26.7	29.6	229.7	174.4
Panorama	30.5	—	193.9	—
§Penthouse Magazine	68.4	76.5	670.8	710.3
Petersen's Photographic	49.9	54.2	448.1	495.2
Playbill	60.1	55.7	444.8	404.5
§Playboy	98.2	107.4	1,092.1	1,094.8
Popular Photography	133.8	148.1	1,400.4	1,570.1
Prevention	99.6	116.6	891.2	1,075.2
Prime Time	30.[illegible]	—	193.2	—
Psychology Today	56.9	70.8	548.8	586.5
▲Quest '80	29.5	42.5	241.0	228.3
§Reader's Digest	128.7	156.2	934.2	1,101.4
Rotarian	29.9	23.8	226.4	211.4
††Saturday Evening Post	40.4	35.7	332.1	307.6
Saturday Review	37.6	71.3	398.7	533.4
Science '80	—	—	144.0	—
Scientific American	126.2	97.6	928.2	828.9
Signature	62.9	59.2	442.9	444.5
Smithsonian	115.6	94.3	790.4	660.2
Stereo Review	69.0	90.0	647.8	755.5
Success Unlimited	32.3	31.6	238.5	155.7
Tennis Magazine	54.1	41.4	680.5	632.4
Town & Country	179.2	142.6	1,033.6	845.1
Travel/Holiday	48.6	52.6	467.4	474.5
Travel & Leisure	106.0	95.3	836.9	784.5
V.F.W. Magazine	33.4	34.7	272.0	257.6
Weight Watchers	25.8	26.3	215.9	204.1
World Tennis	33.3	27.8	508.6	421.2
Writer's Digest	23.0	21.5	205.4	188.3
Yankee Magazine	136.5	133.3	923.5	977.8
Total Group	4,570.7	4,594.4	38,598.8	36,538.9

Fashion & service

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
Glamour	180.8	198.1	1,807.4	1,709.1
Harper's Bazaar	125.7	94.4	843.4	708.9
Mademoiselle	144.9	141.2	1,259.7	1,249.3
Vogue	248.7	251.1	1,887.6	1,866.0
Total Group	700.1	684.8	5,598.1	5,533.3

Arts & antiques

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
American Artist	58.4	66.0	524.2	555.2
Antiques	162.3	178.6	1,439.0	1,358.0
Antiques World	49.7	56.8	417.2	458.8
○Art & Antiques	—	—	281.4	226.9
Art in America	103.0	96.3	783.0	528.3
☆Artnews	131.1	122.4	952.0	845.4
Total Group	504.5	520.1	4,396.8	3,972.6

Home

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
§Better Homes & Gardens	150.2	163.9	1,263.8	1,334.1
○Colonial Homes	—	—	238.0	173.0
▲Decorating Showcase	30.1	22.0	193.0	122.8
▲Family Handyman	68.8	68.7	504.9	477.4
○Flower & Garden	22.4	18.5	265.4	275.7
The Hometown Magazines:				
Dallas-Fort Worth Home/Garden	46.5	58.6	453.2	389.0
Houston Home/Garden	114.6	142.6	1,056.6	1,090.8
Horticulture	21.0	26.4	272.2	303.2
House Beautiful	124.3	147.9	951.8	966.4
House & Garden	144.9	164.4	1,180.6	1,135.4
†Homeowners How-To	—	—	134.3	125.6
Hudson Home Magazine	32.7	52.1	421.4	489.0
Indianapolis at Home	49.0	49.8	518.9	630.8
Living:				
○Dallas	—	—	595.7	600.4
○Houston	—	—	494.0	588.2
○Denver	—	—	456.2	429.8
‡Austin	—	—	150.8	131.9
‡San Antonio	—	—	102.4	75.2
○Phoenix	27.0	41.0	172.4	174.5
○Tampa	20.4	23.2	131.7	57.0
Living Alternatives	13.4	7.2	103.1	31.6
††New Shelter	52.0	—	269.6	—
▲1001 Decorating Ideas	33.2	36.3	270.4	226.1
Organic Gardening	75.9	84.1	798.2	804.2
San Diego Home/Garden	56.5	25.1	544.8	49.8
Southern Living	118.5	159.4	1,180.7	1,288.7
§Sunset Magazine	163.1	163.2	1,297.9	1,356.1
▲Texas Homes	71.3	95.0	637.4	424.1
○Workbench	—	—	306.1	297.8
Total Group	1,435.8	1,549.4	14,965.5	14,048.6

In-flight

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
#Aboard Group (6)	444.0	348.0	1,636.0	1,224.0
Air California	59.5	65.3	588.2	604.9
American Way	87.5	81.1	691.2	620.0
Clipper	58.0	—	501.6	—
East/West Network:				
Eastern Review	70.3	87.3	[illegible]27.8	828.0
Continental Extra	67.2	87.4	652.7	732.1
Hughes Airwest Sundancer	66.7	97.7	723.7	840.0
Ozark Flightime	50.3	78.9	514.0	640.2
PSA Magazine	93.7	144.2	1,034.5	1,182.9
Texas International/-The Texas Flyer	60.5	94.8	582.3	650.6
United Mainliner	105.5	125.7	908.5	956.0
Halsey Publications:				
Braniff's Flying Colors	53.7	39.0	396.0	342.0
Delta Sky	52.7	46.0	464.0	466.0
○Pace	22.7	—	262.7	99.5
Scene	42.5	33.8	328.2	107.1
Southwest Airlines	73.3	59.8	650.6	516.8
○Spirit of Aloha	—	—	135.2	94.1
USAir	61.4	49.0	441.0	49.0
Webb Publications:				
○Frontier	—	—	217.9	204.9
Passages	34.6	44.5	287.6	292.2
TWA Ambassador	59.7	67.9	530.4	562.6
Total Group	1,563.8	1,550.4	12,274.1	11,013.8

Metropolitan

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
○Aloha	19.8	14.9	98.1	46.0
Atlanta	102.1	100.1	828.8	770.0
Baltimore	72.1	88.9	713.8	812.3
◇Bay Views	43.6	53.0	325.9	325.2
Birmingham	36.0	39.6	439.3	312.8
Boston	141.3	149.4	1,102.8	985.7
Broward Life	39.8	43.4	472.9	452.7
Brown's Guide to Georgia	56.0	43.0	489.1	442.2
○Charlotte	—	—	232.6	192.4
Chicago	169.7	184.3	1,396.5	1,445.1
Chicago's North Shore	77.7	44.7	466.3	263.9
Cincinnati	71.0	49.9	610.0	522.3
Cleveland	73.7	70.5	699.3	795.4
Columbus Monthly	112.7	111.1	864.9	880.8
Connecticut	81.0	80.0	685.7	706.0
D/Magazine, Dallas/-Fort Worth	122.1	122.2	1,085.6	1,046.5
Delaware Today	15.7	24.3	300.2	147.1
Denver	51.3	44.0	340.0	296.5
D. Denver Monthly	35.1	35.9	253.3	262.4
Monthly Detroit	38.9	49.3	502.0	393.0
Exclusively Yours Wisconsin	125.2	131.8	783.7	874.7
Gold Coast of Florida/-Indian River Life	80.0	103.0	1,071.8	946.4
Grand Rapids	37.4	36.0	355.1	255.9
Honolulu	69.5	73.3	725.7	755.3
Houston City	58.5	41.5	404.3	346.5
Indianapolis	55.6	53.2	399.8	311.6
Kansas City	27.6	33.5	325.1	330.2
Lansing	51.3	44.0	344.2	227.5
Los Angeles	205.0	224.0	1,858.8	1,998.7
Madison	49.0	34.0	401.9	280.1
Mesa	25.0	47.3	441.0	309.9
Metro	58.9	43.0	433.3	360.5
Miami	72.2	53.0	601.2	483.6
Milwaukee	41.2	34.0	330.3	181.0
Mpls./St. Paul	76.8	51.7	694.0	508.7
Monterey Life	42.2	—	359.3	—
Nashville!	61.6	71.1	703.3	794.5
New Jersey Monthly	80.6	72.0	704.6	641.9
New Mexico	47.5	37.1	302.4	213.4
New Orleans	54.5	56.6	455.4	496.3
Ohio	26.0	42.6	258.0	351.9
Omaha	25.7	29.5	256.8	252.1
Oregon	30.0	21.5	217.0	239.0
Palm Beach Life	49.8	52.3	541.4	442.4
Palm Springs Life	120.1	116.0	1,296.3	1,184.1
Philadelphia	164.6	174.9	1,347.0	1,425.2
Phoenix	95.6	112.3	992.8	931.3
Pittsburgh	43.0	63.0	420.4	502.6
Pittsburgher	36.7	26.0	374.8	271.5
Roanoker	34.0	53.3	146.2	298.8
Sacramento	42.6	36.8	306.7	333.2
St. Louis	96.0	106.0	793.5	956.0
San Diego	128.1	166.3	1,405.1	1,571.3
San Francisco	70.1	83.3	625.0	577.4
San Francisco Focus	41.2	23.1	356.8	223.1
††Sarasota Town & Country	23.8	33.9	240.8	199.8
†Shenandoah Valley	33.0	—	169.9	16.0
Spokane	29.3	49.6	350.3	389.0
Tampa Bay	65.7	45.2	608.6	458.6
Texas Monthly	179.1	155.7	1,198.7	1,071.2
○Triad	15.0	17.2	63.0	123.3
Twin Cities	72.6	32.1	419.1	214.1
Washington Dossier	50.0	43.5	444.0	413.2
The Washingtonian	147.0	135.0	1,141.5	1,180.9
A. Westchester	46.7	38.1	458.8	423.4
Westchester Illustrated	35.1	43.8	418.4	377.8
Wichitan	49.1	63.3	451.6	557.8
Total Group	4,429.1	4,352.9	38,904.7	36,440.0

Movie-romance-radio-tv

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
○Complete Women's Group	25.3	24.5	121.9	131.2
Ideal Women's Group:				
Daytime Stars	27.8	28.9	257.6	289.9
Intimate Story	25.9	29.0	283.9	293.0
Personal Romances	25.9	30.0	283.9	294.0
KMR Women's Group:				
Real Romances	14.1	14.4	102.7	138.4
Real Story	14.1	14.4	102.7	138.4
○Teen Bag	—	—	41.2	60.9
MacFadden's Women's Group:				
Modern Romances	29.7	39.7	286.3	368.9
Secrets	29.7	39.7	286.3	368.9
True Confessions	30.3	39.7	294.6	367.9
True Experience	29.7	39.7	286.3	366.8
True Love	29.7	39.7	286.3	367.8
True Romance	29.7	39.7	286.3	366.8
Sterling Women's Group:				
Daytime TV	32.3	30.5	315.3	317.6
Modern Love	—	29.5	120.9	301.2
Modern Screen	33.3	32.2	323.3	322.7
○Movie Mirror	—	—	160.7	160.9
Photo Screen	33.3	32.2	130.0	161.4
Real Confessions	—	29.5	152.3	301.2
Soap Opera Stars	15.0	—	51.0	—
TV Movie Screen	—	—	160.7	162.0
TV Picture Life	33.3	32.2	162.6	161.4
Total Group	459.1	565.5	4,496.8	5,441.3

Youth

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
Boys' Life	18.9	17.5	211.8	202.8
Campus Life	96.2	75.0	406.9	306.7
Total Group	115.1	92.5	618.7	509.5

Mechanics & science

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
○Elementary Electronics	23.7	26.4	124.7	161.9
§Mechanix Illustrated	83.0	102.8	775.1	860.8
Popular Electronics	55.4	64.4	601.5	559.0
Popular Mechanics	121.5	143.3	1,136.3	1,199.0
§Popular Science	95.5	116.4	880.4	903.2
Total Group	296.1	350.5	2,742.9	2,823.1

Boating & yachting

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
Boating	96.9	92.2	1,133.4	1,094.3
Chesapeake Bay	44.7	46.2	311.1	298.9
Cruising World	223.9	239.3	1,207.6	1,167.3
Lakeland Boating	28.5	33.3	380.7	459.2
Motor Boating & Sailing	114.3	108.0	1,249.6	1,245.9
§Sea/Pacific Skipper	31.0	47.2	342.8	246.5
§Sail	138.8	157.3	1,321.0	1,357.5
Trailer Boats	16.2	17.7	250.4	258.3
Yachting	187.6	203.2	1,782.0	1,865.3
Total Group	881.9	944.4	7,978.6	7,993.2

Automotive & recreational vehicles

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
Car & Driver	59.4	61.0	752.8	724.4
Car Collector & Car Classics	19.3	24.2	222.8	262.5
Car Craft	46.6	43.1	531.2	627.3
Choppers	13.3	10.3	114.3	129.3
○Custom Bike	20.6	15.9	105.5	194.9
○Custom Rider	—	—	107.2	—
Cycle	42.4	55.1	861.3	945.6
Cycle Guide	26.8	18.3	434.4	501.9
Cycle World	38.4	32.7	737.9	756.0
Dirt Bike	12.1	13.6	237.7	229.3

§Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but NOT prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◇Published 11 times a year. ▼Published 8 times a year. **Published weekly. ▶Published every two weeks. A Corrected Sept. linage: 47.6; 44.3; 418.0; 385.3. B Preprinted inserts included. C Corrected Sept. linage: 88.7; 92.3; 892.3; 804.6. D Corrected Sept. linage: 27.5; 30.9; 218.2; 226.5. E Corrected Sept. linage: 120.3; 83.4; 680.8; 642.8. F Corrected Sept. linage: 48.0; 40.6; 300.3; 280.0.

(Continued on Page 100)

Advertising pages in October consumer publications

(Continued from Page 99)

	Pages			
	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct 1979
Dune Buggies & Hot Vw's	41.3	36.3	402.5	331.6
Family Motor Coaching	45.1	62.0	571.1	887.6
4 Wheel & Offroad	24.6	21.7	284.6	292.3
Four Wheeler	23.5	37.0	312.4	429.8
Hot Rod	40.1	43.9	524.3	552.3
Motocross Action	23.3	21.0	304.4	259.7
Motorcyclist	12.0	19.4	390.1	419.2
Motor Trend	36.6	34.8	427.2	437.6
††Motorhome Life	—	—	382.0	542.9
Pickup, Van & 4 WD	34.6	49.1	403.1	562.6
C. Road & Track	90.3	86.5	962.6	891.1
Touring Bike	19.0	7.3	113.2	174.9
Trailer Life	67.4	104.1	858.0	1,256.1
Woodall's Trailer & RV Travel Magazine	21.5	41.9	346.4	726.7
Total Group	758.2	839.2	10,407.0	12,135.6

Outdoor & sport

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct 1979
Alaska	48.5	44.9	425.6	434.9
○The American Handgunner	—	—	193.5	132.7
American Hunter	21.3	174.3	18.2	96.3
American Rifleman	37.7	39.8	304.9	331.4
○Archery World	40.0	43.5	220.0	222.0
○Backpacker	46.4	59.8	234.2	59.8
▼§Bass Master	—	—	374.4	344.3
††Bicycling	—	—	450.9	384.5
▼Camping Journal	18.8	19.6	186.7	242.5
Field & Stream	84.4	109.2	835.4	906.6
○Fishing World	—	—	161.6	168.5
Florida Sportsman	40.2	49.2	597.7	611.2
††Fly Fisherman	—	—	309.1	291.0
Fur-Fish-Game	40.4	39.1	259.0	260.4
Guns	50.0	37.8	366.3	285.9
Guns & Ammo	66.9	57.3	482.4	488.4
Horseman	42.7	35.2	357.5	332.8
Inside Sports	37.7	—	200.5	—
Outdoor Life	75.0	90.0	727.5	843.2
Petersen's Hunting	40.9	40.0	266.5	295.6
The Runner	37.5	24.1	309.6	303.8
Runner's World	60.0	87.0	424.2	600.4
Salt Water Sportsman	37.4	40.1	528.8	571.3
Shooting Times	55.5	49.5	380.1	417.4
SkateBoarder	20.6	24.0	188.5	373.6
‡‡§Ski	123.3	109.2	179.2	187.3
‡‡Skiing	140.4	150.8	439.6	439.8
Skin Diver	44.9	53.7	525.1	601.6
Soccer Corner	13.5	4.0	112.5	20.0
‡‡Southern Outdoors	37.6	44.0	325.6	329.1
§Sport	37.2	50.4	419.7	423.8
Sports Afield	87.4	93.5	873.9	807.9
▼Spray	53.3	48.0	38.3	336.6
#Swim Swim	20.0	6.7	56.7	16.2
Western Outdoors	22.6	25.6	280.3	333.9
Total Group	1,482.1	1,650.3	12,054.8	12,194.1

Comics

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct 1979
Archie Comic Group	10.0	10.0	50.0	50.0
DC Comics	9.0	12.0	81.0	117.5
Harvey Comics Group	8.0	8.0	80.0	80.0
Marvel Comics Group	11.0	14.0	124.5	128.0
Total Group	38.0	44.0	290.5	375.5

Newspaper magazines I

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
§Family Weekly	85.4	93.3	826.0	856.2
Parade	63.6	80.4	676.5	765.3
Total Group	149.0	173.7	1,502.5	1,621.5

Canadian national weekend magazines

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
B. Perspectives	51.2	60.0	390.9	386.0
§Today	46.5	64.4	390.6	379.9
Total Group	97.7	124.4	781.5	765.9

Canadian

	Oct. 1980	Oct. 1979	Jan.-Oct. 1980	Jan.-Oct. 1979
L'Actualite	69.8	58.0	431.2	432.3
Chatelaine:				
§English Edition	105.8	117.0	787.7	751.7
French Edition	98.6	110.5	658.5	657.8
F. §Financial Post Magazine	69.8	58.6	370.1	338.6
▲§Flare	73.4	78.3	528.8	479.2
▲§Homemaker's Magazine:				
English Edition	107.9	116.2	737.2	651.9
French Edition	77.2	92.8	533.5	516.6
E. **§Macleans	141.6	161.4	822.4	804.2
▼§Quest Magazine	48.5	40.6	263.9	270.0
§Reader's Digest:				
Canada-English	95.9	85.9	822.5	817.8
Canada-French	99.3	94.3	728.7	747.1
Total	195.2	180.2	1,551.2	1,564.9
▲Saturday Night	30.2	83.1	222.9	311.0
▲Toronto Life	155.0	196.0	999.8	954.7
Total Group	1,173.0	1,292.7	7,907.2	7,732.9

September pages

Business

	Pages			
	Sept. 1980	Sept. 1979	Jan.-Sept. 1980	Jan.-Sept. 1979
Atlanta Business Chronicle	38.2	23.7	250.3	137.6
Barron's	219.8	164.2	1,700.3	1,411.8
Black Enterprise	24.0	39.4	435.9	392.8
The Bus. Review of Wash.	56.7	45.6	477.2	342.7
§Business Week	456.3	458.4	3,556.1	3,509.1
California Business	76.4	22.6	497.1	235.8
Corporate Report	96.9	68.7	678.9	550.0
Crain's Chicago Business	92.2	59.9	589.4	362.7
Dun's Review	82.1	96.1	731.7	701.8
☆Financial World	77.8	73.7	700.4	673.8
Florida Trend	49.9	51.5	530.7	518.9
▶Forbes	324.5	245.7	1,907.7	1,820.1
▶§Fortune	183.5	185.9	1,744.1	1,701.1
Houston Business Journal	160.8	116.0	1,151.4	1,060.7
§Inc. Magazine	71.7	52.3	555.5	284.2
▶§Industry Week	199.4	188.5	1,367.0	1,506.7
§Nation's Business	34.8	65.7	336.6	403.9
*New England Business	53.6	68.3	409.0	404.3
▶§Northern Ohio Bus. Journal	42.8	35.3	300.8	213.5
Outlook	46.7	44.5	337.9	338.9
Texas Business	29.2	39.3	342.9	361.8
Total Group	2,417.3	2,145.3	18,600.9	19,632.2

Newspaper magazines II

	Sept. 1980	Sept. 1979	Jan.-Sept. 1980	Jan.-Sept. 1979
Boston Globe	174.8	159.8	1,231.1	1,196.8
Chicago Tribune	162.0	171.2	1,007.6	1,218.2
*Cleveland Plain Dealer	165.3	197.2	1,210.5	1,437.8
Detroit News	156.6	157.6	1,311.9	1,470.6
§Los Angeles Times Home Magazine	140.8	153.5	1,069.5	1,251.3
New York News	107.7	166.5	970.5	1,099.5
New York Times Magazine	491.9	545.2	2,999.7	2,977.6
Philadelphia Inquirer	92.8	109.8	695.3	809.9
§Washington Post Magazine	167.4	150.9	1,126.9	991.2
Washington Star, Home/-Life Magazine	86.8	84.6	546.1	594.1
Total Group	1,746.1	1,896.3	12,169.1	13,047.0

Weeklies, bi-weeklies, semi-monthlies

	Sept. 1980	Sept. 1979	Jan.-Sept. 1980	Jan.-Sept. 1979
§Army Times Military Group:				
Air Force Times	154.7	156.2	1,340.2	1,364.8
Army Times	153.6	155.2	1,335.3	1,338.5
Navy Times	169.1	169.7	1,466.3	1,468.6
The Times Magazine	38.7	36.5	185.2	175.6
The Blood Horse	333.5	321.8	3,326.9	3,038.0
Circus	13.0	21.2	131.7	236.0
Commonweal	7.3	8.3	91.5	61.9
Golf World	48.0	44.0	604.7	532.8
§Grit	27.8	44.8	283.9	353.0
National Review	21.0	45.0	149.0	211.0
New West	79.2	114.1	846.1	928.1
New York Magazine	203.9	230.7	481.6	1,474.2
New Yorker	422.3	355.2	2,670.8	2,499.3
§Newsweek	281.6	260.0	2,183.8	2,303.5
People	296.3	255.5	2,409.0	2,381.9
Rolling Stone	63.5	96.3	654.6	793.7
Sporting News	56.9	77.5	448.0	531.0
§Sports Illustrated	226.8	219.0	1,858.5	1,880.2
§Time	256.2	235.8	1,964.0	2,082.1
§TV Guide	340.9	440.2	2,668.6	2,708.7
▶Us Magazine	52.2	45.0	391.7	444.9
§U.S. News & World Report	169.8	170.6	1,377.1	1,374.1
Total Group	3,416.3	3,502.6	26,868.5	28,181.9

Foreign

	Sept. 1980	Sept. 1979	Jan.-Sept. 1980	Jan.-Sept. 1979
Buenhogar:				
Ecuador	17.0	14.3	85.8	85.3
Chile	3.0	3.5	24.5	8.7
Mexico	84.7	73.3	533.7	525.8
Puerto Rico	21.3	23.3	198.2	175.0
Venezuela	58.2	48.8	353.0	354.0
Colombia	76.2	84.8	466.0	507.7
Peru	26.0	21.3	169.2	131.5
Central America	12.5	18.3	74.7	128.2
U.S.	8.2	13.3	68.0	89.8
Dominican Republic	12.7	19.8	125.5	220.3
Coqueta:				
Mexico	11.0	2.0	72.5	6.0
Puerto Rico	4.0	1.0	30.5	4.0
Venezuela	10.0	4.0	59.5	12.0
Colombia	5.5	3.0	38.5	3.0
Peru	3.0	—	19.0	—
Central America	—	—	0.5	—
Fascinacion:				
Mexico	10.8	11.3	74.7	77.7
Puerto Rico	7.0	—	21.3	9.3
Venezuela	13.7	13.3	57.2	97.7
Colombia	4.7	6.5	64.8	41.3
Central America	—	—	—	0.3
Geomundo:				
Chile	6.0	5.7	46.0	29.3
Mexico	12.2	16.3	124.3	87.3
Ecuador	5.0	6.7	40.0	47.3
Puerto Rico	5.0	8.2	48.5	70.8
Venezuela	15.5	10.7	104.0	97.2
Colombia	11.0	17.7	95.5	127.0
Peru	11.0	9.7	73.0	48.3
Central America	6.0	6.7	49.0	49.7
Hombre De Mundo:				
Dominican Republic	6.0	15.0	42.2	15.0
Mexico	23.7	29.7	172.3	160.0
Chile	8.0	5.0	46.7	22.2
Puerto Rico	12.0	17.5	99.3	149.0
Ecuador	8.2	8.0	43.3	37.7
Venezuela	25.7	19.0	142.3	112.2
Colombia	21.2	25.5	115.3	139.8
Peru	10.0	5.0	47.0	16.2
Central America	10.0	10.0	57.8	49.7
Ideas Para Su Hogar:				
Dominican Republic	3.0	4.0	14.8	4.0
Mexico	16.8	8.2	112.5	68.5
Chile	2.0	—	9.0	—
Puerto Rico	2.5	4.8	22.2	26.0
Ecuador	0.5	—	1.8	3.2
Venezuela	25.8	13.8	138.8	106.5
Colombia	32.0	32.7	182.5	150.7
Peru	10.5	1.0	69.3	11.5
Central America	1.5	—	4.2	5.5
Intimidades:				
Mexico	7.3	5.0	43.3	49.7
Puerto Rico	6.0	7.0	38.0	32.0
Venezuela	13.0	13.0	95.5	92.0
Colombia	5.0	2.0	34.0	6.0
Central America	1.0	—	13.0	3.0
Mecanica Popular:				
Caribbean	42.2	29.8	343.2	269.2
Mexico	28.0	27.8	234.7	156.5
Argentine	9.3	5.7	68.5	33.0
The Ring en Espanol:				
Mexico	2.0	2.2	22.8	13.8
Puerto Rico	2.0	2.0	23.0	23.7
Venezuela	1.0	5.0	12.0	35.2
Colombia	—	—	1.5	4.2
Central America	—	—	—	0.7
U.S.	2.0	3.0	26.0	26.7
Vanidades Continental:				
Dominican Republic	30.0	27.0	204.8	279.2
Mexico	177.7	127.8	982.2	954.2
Chile	24.7	4.5	107.0	36.2
Puerto Rico	70.7	53.0	423.8	416.5
Venezuela	111.7	62.0	621.8	486.0
Colombia	152.8	124.3	681.2	699.2
Peru	58.0	27.0	250.8	185.0
Central America	42.0	28.3	242.3	227.5
Ecuador	26.2	17.2	150.3	140.0
U.S.	52.7	29.5	291.2	270.7
Cosmopolitan Foreign Editions:				
Australia	87.3	78.8	549.7	479.5
Brazil	51.0	40.0	337.0	229.0
France	85.5	61.5	672.0	562.5
Great Britain	141.0	143.0	1,089.0	1,052.0
Greece	45.0	—	205.0	—
Italy	64.8	37.3	441.3	279.5
Japan	39.3	—	101.3	—
Cosmopolitan en Espanol:				
Central America	9.8	5.5	63.5	59.7
Colombia	33.0	30.8	194.8	208.8
Ecuador	4.0	4.7	24.0	23.0
Mexico	67.2	72.0	502.0	473.2
Peru	13.0	—	56.7	—
Puerto Rico	36.3	27.8	279.3	227.8
U.S. (Spanish Language)	13.7	16.7	118.5	144.8
Venezuela	37.0	40.0	245.2	247.7
International Communications:				
African Business	35.8	31.5	273.5	201.8
The Middle East	47.4	67.2	308.4	477.7
New African	27.9	21.5	246.8	290.6
Al-Iktissad Al-Arabi	22.0	16.6	126.3	146.9
International Herald Tribune	109.7	105.5	727.3	793.4
International Management:				
Africa	25.5	20.7	160.0	165.0
Europe	47.3	46.2	327.8	333.0
Latin America	24.5	19.2	167.0	182.0
Middle East	26.7	40.2	242.0	283.0
Pacific	23.5	18.7	146.0	157.0
Johnston International:				
Alam Attijarat	106.7	132.8	666.7	892.8
Modern Africa	37.5	41.8	165.7	200.3
Modern Asia	66.3	66.8	441.7	404.0
Near East Business	31.7	47.7	199.2	273.8
§Newsweek International:				
Atlantic	120.8	129.8	693.2	805.6
Latin America	58.3	42.3	297.7	258.8
Pacific	98.4	109.9	645.3	687.6
††Progreso	24.3	32.2	150.0	153.4
§Reader's Digest:				
Arabic	13.0	18.0	90.5	131.5
*Asian	283.5	320.5	2,083.5	1,927.0
Australian	81.5	87.5	655.5	500.9
Belgian-Flemish	95.0	69.0	677.5	680.4
Belgian-French	85.5	67.0	616.0	656.8
British	75.3	117.8	603.7	711.1
*Chinese	131.0	167.0	1,090.0	1,001.5
Danish	62.5	48.8	361.6	325.4
Dutch	72.8	64.0	481.2	431.6
Finnish	57.0	56.0	414.3	470.6
French	73.5	65.8	582.0	586.9
German	45.5	47.8	605.6	641.7
Iberian	35.5	28.5	326.4	305.6
Indian	118.5	92.0	839.2	718.5
Italian	51.5	53.0	526.0	464.0
Japanese	49.7	50.8	453.8	478.5
Korean	17.5	14.5	165.5	133.5
Latin America:				
Argentine	35.0	72.5	291.0	461.5
Brazil	11.8	14.4	111.6	126.5
Central American	26.0	23.0	162.5	169.0
Chile	20.5	25.5	244.0	186.5
Colombia	68.5	64.5	369.0	430.0
Ecuador	8.5	30.5	101.5	167.0
Mexico	61.1	65.0	393.3	347.6
Peru	8.5	15.0	66.0	72.5
Puerto Rico	9.0	14.0	91.0	116.0
U.P.B.	19.0	28.5	183.0	276.0
U.S. Spanish	22.0	14.5	138.0	133.0
Venezuela	26.5	31.5	200.5	191.5
Portugal	47.8	38.0	357.2	550.3
New Zealand	68.0	66.7	600.7	418.4
Norwegian	45.3	87.3	345.8	421.7
South African	118.0	71.0	656.5	597.0
Swedish	22.0	35.0	197.0	255.2
Swiss-French	30.0	30.0	252.0	253.0
Swiss-German	14.0	16.0	319.0	334.0
Canada-English	102.5	60.4	709.0	677.9
Canada-French	94.3	60.9	609.5	609.7
Total	2,207.1	2,232.2	16,970.4	16,759.8
Time International:				
Time-Asia	**136.7**	**108.4**	**794.3**	**781.4**
Time-Atlantic	**153.8**	**144.8**	**899.7**	**959.2**
Time-Canada	**167.3**	**142.6**	**961.3**	**1,008.7**
Time-Latin America	**110.6**	**81.9**	**607.2**	**570.9**
Time-South Pacific	**191.4**	**158.3**	**1,224.5**	**1,140.9**
****Visao**	**—**	**—**	**984.7**	**918.7**
▶§Vision/Latin America	**59.4**	**69.7**	**406.7**	**333.5**
Total Group	**6,234.4**	**5,732.4**	**43,059.3**	**41,719.7**